GENTING
PLANTATIONS

PRESS RELEASE **For Immediate Release**

GENTING PLANTATIONS REPORTS THIRD QUARTER FINANCIAL YEAR 2018 RESULTS

KUALA LUMPUR, Nov 29 – Genting Plantations Berhad today reported its financial results for the third quarter ended 30 September 2018 (“3Q 2018”), with revenue increasing 13% year-on-year to RM488.9 million.

Revenue for the first nine months of the year (“9M 2018”) also climbed 11% year-on-year to RM1.42 billion, mainly on account of the improved offtake from the Downstream Manufacturing segment coupled with an increase in sales and progressive completion of works by the Property segment. In contrast, the Plantation segment posted lower year-on-year revenue as the effect of weaker palm products selling prices outweighed the higher FFB production.

For 9M 2018, the Group achieved crude palm oil (“CPO”) and palm kernel (“PK”) selling prices of RM2,235 per metric tonne (mt) and RM1,812 per mt respectively.

Group FFB production for 9M 2018 improved by 9%, underpinned by the higher crop output from Indonesia from an increase in mature areas and better age profile, which more than compensated for the drop in Malaysia due to a shift in cropping pattern along with a decline in mature areas stemming from replanting activities.

EBITDA for the Plantation segment, covering both Malaysia and Indonesia operations, declined year-on-year for 9M 2018, as the impact of the lower palm products selling prices outpaced the higher FFB production.

The Property segment registered a year-on-year improvement in EBITDA for 9M 2018, bolstered by higher sales from the recent launches of residential offerings at its Indahpura project and progressive completion of works.

The Biotechnology segment’s results was comparable year-on-year, reflective of its ongoing research and development activities.

The Downstream Manufacturing segment contributed a higher year-on-year EBITDA with both its biodiesel and refinery operations registering higher offtake and capacity utilisation.

Changes in the “Others” category mainly reflect the impact of changes in foreign currency translation position of the Group’s US Dollar denominated cash reserves and borrowings arising from foreign exchange fluctuations.

For the remaining months of 2018, the Group's results will largely be contingent on the performance of its Plantation segment, which is in turn dictated by movements in palm products selling prices and the Group's FFB production.

The Group's FFB production in 4Q 2018 is forecast to exceed that of the preceding quarter in view of the onset of production uptrend. For 2018, Group-wide FFB production is anticipated to register year-on-year production growth on the back of higher output from its Indonesian operations, eclipsing the moderation from the Plantation – Malaysia segment.

For its Property segment, the Group expects an improved year-on-year performance for 2018. The third phase of Johor Premium Outlets commenced operations in November 2018 and this along with the Genting Highlands Premium Outlets registering its first full year of operations will further contribute to the Group.

The Biotechnology segment will remain focussed on its development of commercial solutions and applications to increase the yield and productivity of oil palm.

For its Downstream Manufacturing segment, the Group foresees a better year-on-year performance for 2018. The biodiesel operations is continuously supplying for the local B7 biodiesel requirements while capturing renewed demand for discretionary biodiesel blending. Despite the challenging operating conditions for Malaysian refiners following the duty-free CPO export since September 2018, the Group's refinery is still seeing underlying demand for its products.

No dividend has been declared or recommended for 3Q 2018.

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

TABLE 1:

RM' Million	3Q 2018	3Q 2017 Restated	%	9M 2018	9M 2017 Restated	%
Revenue						
Plantation						
- Malaysia	161.4	242.2	*-33*	534.3	688.9	*-22*
- Indonesia	129.0	133.8	*-4*	375.7	393.6	*-5*
Property	50.7	29.3	*+73*	102.6	78.8	*+30*
Downstream Manufacturing	253.8	155.4	*+63*	730.3	477.9	*+53*
	594.9	560.7	*+6*	1,742.9	1,639.2	*+6*
Inter segment	(106.0)	(126.9)	*+16*	(322.3)	(358.9)	*+10*
Revenue - external	488.9	433.8	*+13*	1,420.6	1,280.3	*+11*
Adjusted EBITDA						
Plantation						
- Malaysia	41.9	101.3	*-59*	218.9	289.9	*-24*
- Indonesia	24.4	40.8	*-40*	97.2	140.5	*-31*
Property	17.9	5.3	*>100*	26.8	15.7	*+71*
Biotechnology	(3.0)	(2.9)	*-3*	(9.2)	(8.3)	*-11*
Downstream Manufacturing	3.4	2.6	*+31*	8.4	4.9	*+71*
Others*	(1.4)	2.1	-	10.2	3.9	*>100*
	83.2	149.2	*-44*	352.3	446.6	*-21*
EBITDA	86.2	148.6	*-42*	368.9	445.1	*-17*
Profit before tax	25.1	108.2	*-77*	192.9	318.7	*-39*
Profit for the financial period	17.5	79.3	*-78*	136.7	232.7	*-41*
Basic EPS (sen)	2.93	9.63	*-70*	18.73	27.43	*-32*

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

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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