GENTING PLANTATIONS

PRESS RELEASE **For Immediate Release**

GENTING PLANTATIONS REPORTS 2018 FINANCIAL YEAR RESULTS

KUALA LUMPUR, Feb 26 – Genting Plantations Berhad today reported its financial results for the year ended 31 December 2018 ("FY 2018"), with revenue of RM1.90 billion, representing a 5% increase from the previous year.

Revenue improved on account of the higher offtake of biodiesel and refinery products from the Downstream Manufacturing segment along with progressive completion of works by the Property segment. However, the Plantation segment posted lower year-on-year revenue as the effect of the softer palm products selling prices outstripped the higher fresh fruit bunch ("FFB") output.

Group FFB production for FY 2018 improved by 11% year-on-year, underpinned by the growth from its Indonesia operations from an increase in mature areas and better age profile, while production from its Malaysia operations dropped due to the delayed effects of adverse weather conditions in the preceding two years along with a decline in mature areas from replanting activities.

The Group achieved notably lower year-on-year crude palm oil ("CPO") and palm kernel ("PK") prices of RM2,117/mt and RM1,681/mt in FY 2018 respectively.

Reflective of the weaker palm products selling prices, EBITDA for the Plantation segment were lower year-on-year in FY 2018.

EBITDA for the Property segment for FY 2018 were higher year-on-year, on the back of progressive completion of works and improved profit margins.

The Biotechnology segment's losses widened, in line with its research and development activities.

The Downstream Manufacturing segment's EBITDA was lower year-on-year for FY 2018 as the weaker selling prices compressed profit margins.

The Group's prospects for 2019 will largely be contingent on the performance of its Plantation segment, which in turn reflects the movements in palm products selling prices and the Group's FFB production. Palm prices are influenced by factors such as the underlying demand and supply dynamics of palm oil and other substitute oils and fats, weather patterns, currency exchange fluctuations, global economic conditions as well as relevant government policies and regulations such as biodiesel mandates and import/export tax and duty regimes.

The Group's FFB production for 2019 is expected to see further upward trajectory on prospects of higher crop output from its Indonesia operations, bolstered by additional areas coming into maturity and better age profile.

For the Property segment, the Group will continue to focus on residential offerings which cater to the broader market. The Premium Outlets is expected to continue performing well in 2019 with the full year contribution from the third phase of the Johor Premium Outlets®, which commenced operations in November 2018.

The Biotechnology segment will continue its efforts on developing commercial solutions and applications to enhance the yield and productivity of oil palm.

The implementation of the mandatory B10 biodiesel for the transportation sector and B7 biodiesel for the industrial sector is expected to shore up local demand for the Group's biodiesel operations in 2019 while offtake for discretionary biodiesel blending is underpinned by the viability of the palm oil gas oil spread.

The Group's refinery operations will continue to focus on improving its market reach and offtake.

The Board of Directors recommended a final single-tier dividend of 8.25 sen per ordinary share for FY 2018. Should the final dividend be approved by shareholders, total dividend (including the interim dividend of 4.75 sen) for FY 2018 will amount to 13.0 sen per ordinary share. In comparison, the total dividend amounted to 26.0 sen for FY 2017.

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

TABLE 1:

RM' Million	4Q 2018	4Q 2017 Restated	%	FY 2018	FY 2017 Restated	%
Revenue						
Plantation	313.1	408.4	*-23*	1,223.1	1,490.9	*-18*
Property	27.5	36.4	*-24*	130.1	115.2	*+13*
Downstream Manufacturing	247.5	245.5	*+1*	977.8	723.4	*+35*
	588.1	690.3	*-15*	2,331.0	2,329.5	*-*
Inter segment	(105.8)	(161.8)	*+35*	(428.1)	(520.7)	*+18*
Revenue - external	482.3	528.5	*-9*	1,902.9	1,808.8	*+5*
Adjusted EBITDA						
Plantation	73.8	147.8	*-50*	389.9	578.2	*-33*
Property	9.4	7.8	*+21*	36.2	23.5	*+54*
Biotechnology	(3.8)	(2.7)	*-41*	(13.0)	(11.0)	*-18*
Downstream Manufacturing	2.8	7.2	*-61*	11.2	12.1	*-7*
Others*	2.3	18.9	*-88*	12.5	22.8	*-45*
	84.5	179.0	*-53*	436.8	625.6	*-30*
EBITDA	82.2	188.8	*-56*	451.1	633.9	*-29*
Profit before tax	14.8	138.6	*-89*	207.7	457.3	*-55*
Profit for the financial period	10.3	109.2	*-91*	147.0	341.9	*-57*
Basic EPS (sen)	1.78	14.53	*-88*	20.50	41.80	*-51*

**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 182,800 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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