



**Press Release**

## Global Palm’s 1Q2011 earnings up 34% to Rp14.9 billion

- Revenue increased by 34% to Rp88.3 billion on the back of higher average selling prices
- Ongoing recovery of oil palms from biological tree stress

*Financial highlights for the period ended 31 Mar:*

(Rp’ billion)	1Q2011	1Q2010	Chg (%)
Revenue	88.3	66.0	+34
Gross profit	26.9	21.5	+25
<b>EBITDA</b>	<b>22.5</b>	<b>20.0</b>	<b>+12</b>
Profit before income tax	20.4	15.8	+29
<b>Net profit attributable to equity holders</b>	<b>14.9</b>	<b>11.1</b>	<b>+34</b>

**Singapore, 10 May 2011** – Mainboard-listed palm-oil producer **Global Palm Resources Holdings Limited** (环球资源控股有限公司) (“Global Palm”, together with its subsidiaries, “the Group”) today reported a 34% jump in net profit attributable to shareholders to Rp14.9 billion (S\$2.2 million) for the 3 months ended 31 March 2011 (“1Q2011”). This was achieved on the back of a 34% increase in group revenue to Rp88.3 billion (S\$12.8 million), attributable to higher sales of both crude palm oil (CPO) and palm kernel oil (PKO).

The Group’s strong year-on-year performance in the first quarter was largely underpinned by higher average selling prices (ASP) of CPO and PKO, which increased by 19% and 148%, to Rp7,706 per kg (S\$1.12) and Rp6,490 per kg (S\$0.94), respectively. In addition, higher volume sales in the latest quarter contributed to the increase in revenue as well, with CPO sales volume recording a 4% increase to 9,781 tons and PKO’s rising 1% to 1,996 tons. (See Table: Segmental Review)

## Segmental Review

	1Q2011	1Q2010	% Chg
<b>Revenue (Rp' bil)</b>			
CPO	75.4	60.9	+24
Palm Kernels	12.9	5.1	+150
<b>Sales Volume (tons)</b>			
CPO	9,781	9,430	+4
Palm Kernels	1,996	1,983	+1
<b>Ave. Selling Price* (Rp/kg)</b>			
CPO	7,706	6,453	+19
Palm Kernels	6,490	2,617	+148

\* The Group's CPO selling prices are determined with reference to international prices of CPO trading on Bursa Malaysia Derivatives Berhad in Kuala Lumpur, and published CPO tender prices of other major Indonesian CPO producers.

## Operational Performance

Global Palm added 205 hectares (ha) of new plantings in the latest quarter, increasing its total planted area to 12,434 ha as at 31 March 2011, of which, 82% comprise of mature oil palm trees in their peak production years.

The Group's CPO and palm kernel extraction rates were stable at 21.7% and 4.1% respectively in 1Q2011.

## Outlook and future plans

The demand for palm oil is expected to remain strong in view of rising food requirements from China, India and emerging markets; as well as buoyant demand from the biofuel, oleochemicals and compound feed industries.

Although CPO prices appeared to have stabilised in the last few months, the Group expects price volatility to continue given the uncertainty in the global financial market and the abnormal weather's impact on market dynamics.

With its oil palms recovering from biological tree stress, together with increased FFB purchases from plasma farmers and nearby plantations, the Group expects CPO production to increase in the coming months.

Commenting on the Group's performance, Dr Suparno Adijanto (陳洪傑), Executive Chairman and CEO said, Buoyant CPO and PKO prices continued to boost Global Palm's top and bottom line in 1Q2011. Looking ahead, we expect CPO production to increase in the coming months with the ongoing recovery of our oil palms from biological tree stress and increased FFB purchases from plasma farmer and nearby plantations."

Added Dr Suparno, "Our long-term strategy remains unchanged. We will continue to grow our cultivated land bank through new plantings and acquisitions, and at the same time, constantly review our cost structure to achieve a cost competitive model."

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*The conversion rate used in this press release is S\$1 : Rp6,906*

**Issued for and on behalf of Global Palm Resources Holdings Limited:**

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*The initial public offering of Global Palm Resources Holdings Limited was sponsored by AmFraser Securities Pte. Ltd. (a member of AmInvestment Bank Group) and Oversea-Chinese Banking Corporation Limited (collectively, the "Joint Issue Managers"). The Joint Issue Managers assume no responsibility for the contents of this announcement.*

**About Global Palm Resources Holdings Limited**

*Founded by the Adijanto family, who has various business interests in this region, including coal mining, production of formalin-based chemicals and timber businesses, Global Palm's operating subsidiary PT Prakarsa Tani Sejati commenced the palm oil business in October 1991 in West Kalimantan, Indonesia where the climate and soil conditions are suitable for oil palm cultivation.*

*Today, Global Palm is engaged in the cultivation of oil palms, harvesting of the fresh fruit bunches (FFB) and processing them, together with purchased FFB, into crude palm oil (CPO) and palm kernels.*

**Strong focus on Corporate Social Responsibility**

*The Group is also committed to improving the quality of life of the local communities in the area it operates as part of its corporate social responsibility, contributing in the areas of education, social, and cultural welfare, as well as helping to improve living conditions of the local communities.*

*Beyond creating employment opportunities for local communities in its oil palm plantation, it also partners with approximately 1,400 surrounding small landholders in the development of small oil palm plantations, under its Plasma Programme.*

*Another area of focus of Global Palm is its commitment to sustainable development of its business, with the view to conserve and preserve the natural environment. It adopts a “zero burning” policy, using chain saws and machinery rather than fire to clear land for oil palm cultivation and is continuously working towards “zero waste management” on its CPO production waste. On 26 May 2010, the Group became a member of the Roundtable of Sustainable Palm Oil, a not-for-profit association which promotes the production and use of palm oil in a sustainable manner.*