



MEDIA RELEASE

TH PLANTATIONS REPORTS YTD2014 PROFIT AFTER TAX OF RM51.34 MILLION

Kuala Lumpur, 19 November 2014 – TH Plantations Berhad (“THP” or “the Group”) today announced its third quarter (“3Q2014”) and Year-to-Date (“YTD2014”) financial results for the period ended 30 September 2014, reporting a YTD2014 profit after tax of RM51.34 million, a 43% increase compared to the same period last year (“YTD2013”).

Its YTD2014 revenue rose 24% to RM390.15 million, driven by a 5% growth in production of Fresh Fruit Bunches (“FFB”) while its Crude Palm Oil (“CPO”) production grew by 16%. The Group also saw its CPO average selling price improve by 10% to RM2,351 per metric tonne, on the back of strong CPO prices in the first half of the year. This healthy operational performance led to a 24% increase in operating profit and consequently a 29% growth in profit before tax. The Group’s YTD2014 EBITDA rose by 18%, signalling a steady growth in its operational earnings compared to last year.

For 3Q2014, the Group recorded a modest 2% increase in revenue compared to the same period last year. The Group’s FFB production grew by 3% for the quarter, while CPO production increased by 6%. The tapering growth in overall production indicates the adverse impact of the dry spell experienced in the early part of the year, which may persist well into the fourth quarter of 2014. In addition, the decline of commodity prices in 3Q2014 translated into a lower average CPO selling price of RM2,106/metric tonne, 5% lower compared to the levels recorded in 3Q2013. As a result, the Group recorded smaller profit margins for this quarter as compared to the same period last year. Its profit after tax stood at RM16.53 million for 3Q2014, 14% lower compared to 3Q2013.

Commenting on the performance of the Group, Dato’ Zainal Azwar bin Zainal Aminuddin, Chief Executive Officer and Executive Director of THP, said “Our operating and financial results continue to be promising, but prevailing challenges in the industry may make for tougher operating conditions in times ahead. For the past few weeks, the industry has been adversely impacted by the drastic fall in commodity prices, and TH Plantations has not been spared. The prolonged dry spell between February and May this year has also begun to impact production, and we have observed a decrease in our own FFB bunch weight in affected areas. Nevertheless, we remain focused in pursuing our development strategies, and will take proactive measures to mitigate the impact of lower prices, including optimising our cost structure and reviewing our marketing strategy. We shall also continue to harness on our enlarged land bank to deliver value to our shareholders.”



TH PLANTATIONS BERHAD (12696 - M)

About TH Plantations Berhad

THP is a subsidiary of **TH**, incorporated on the 28 August 1972 and listed on the main board of Bursa Malaysia Securities Berhad on 27 April 2006. Its principal activities are investment holding, cultivation of oil palm, processing of FFB, marketing of CPO, palm kernel and FFB.

As at 30 September 2014, the Group has approximately 98,000 hectares of land located in Pahang, Johor, Negeri Sembilan, Terengganu, Sabah and Sarawak, of which about 60,000 hectares have been planted with oil palm. Additionally, the Group owns about 11,000 hectares of greenfield land in Kalimantan, Indonesia. To diversify its income stream in coming years, 4,000 hectares of its land bank have been planted with rubber and more are in the course of planting.

The Group also owns and operates seven palm oil mills located in Johor, Pahang, Negeri Sembilan, Sabah and Sarawak with a total FFB processing capacity of 1,350,000 metric tonnes per annum.

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