

SMART RESPONDS TO LATEST GREENPEACE REPORT

Jakarta, 29 July 2010 – PT SMART Tbk (“SMART”) reaffirms that it does not clear primary forests and peat lands, nor does it clear orang-utan habitats, as claimed by Greenpeace in its report today titled “How Sinar Mas is expanding its empires of destruction”. All concession areas owned or managed by SMART and its parent company, Golden Agri-Resources Ltd (“GAR”), are located on degraded land, based on government concessions and in accordance to national laws and regulations.

Concessions in Papua region

With regard to concession areas in the Papua province, SMART only manages a total of 13,327 hectares (ha) in the Jayapura District, and not 1 (one) million ha as stated in the Greenpeace report. SMART’s concession in the Jayapura District is located on degraded land and not on primary forest. On 9 January 2007, SMART announced that the regional government reserved 1 million ha of land in Southern Papua for a biodiesel project, which was put on hold due to economical, agronomical, social, environmental and legal considerations. At present, SMART does not hold any land licenses in this particular area

Should we decide to proceed with this project at a later stage, SMART would obtain the necessary approvals and licenses, including land licenses, subject to availability of the land.

No orang-utan habitat in PT BNM

Contrary to Greenpeace’s claims, there are no orang-utan habitats in SMART’s concession area PT Bangun Nusa Mandiri (“PT BNM”). SMART reiterates that before developing land, it conducts the necessary environmental assessments, including High Conservation Value (“HCV”) assessments, according to SMART’s sustainability commitment and the Roundtable on Sustainable Palm Oil (“RSPO”) guidelines. In the case of PT BNM, the HCV assessments were conducted by an independent consultant approved by RSPO. The United Nations Environment Programme (“UNEP”) map that was referenced by Greenpeace shows global orang-utan distribution in Kalimantan, while for the HCV identification assessment organised by SMART, a specific and detailed map of PT BNM’s concession area was used. The assessment revealed that there were no orang-utan habitats on the concession, nor any evidence of peat lands. The concession area did contain 15% of HCV land which SMART has conserved.

Clearing on PT ALM was only on degraded land

SMART reiterates that land developed in the PT Agro Lestari Mandiri (“PT ALM”) area since April 2010 is only on degraded land, and not on peat land, as claimed by Greenpeace.

We would like to clarify that the photograph on page 2 of the Greenpeace report taken on 5 July 2010 is not that of PT ALM’s concession area, as highlighted by Greenpeace. The location is around 1km North of Tanjung Medan Village, and this is a concession area that belongs to another company unrelated to SMART or GAR.

With regards to the photograph taken on 5 July 2010 on page 15 of the report, we can confirm that this concession area belongs to PT ALM. However, SMART would like to reiterate that it is not clearing peat land in this area. In actual fact, SMART is constructing a canal, which will allow the retention of water at the optimal level for conservation of peat land.

SMART’s commitment and orang-utan preservation efforts

SMART complies with the laws and regulations of the Indonesian government and RSPO principles and criteria. As part of its sustainability commitments, SMART does not plant oil palm trees on peat land, primary forests nor convert land with HCV. In the case the company finds HCV land in its concessions, it creates sanctuaries and conserves it. GAR aims to obtain RSPO certification for all of our existing palm oil operating units by 2015, while some of our plantations are in the process of obtaining RSPO certification.

SMART is committed to conserving the orang-utan, and together with the leading environmental and orang-utan conservation organisations and the Indonesian Ministry of Forestry, plays an active role in the national orang-utan Working Group in drafting the Strategy and Action Plan to conserve the orang-utan. To date, the company has set aside a 1,400 ha sanctuary in Central Kalimantan for an orang-utan habitat.

GAR and SMART are independent, well-run companies

SMART is a subsidiary of GAR and manages all oil palm plantations of GAR. GAR was founded in 1996, and is listed on the Singapore Exchange since 1999. SMART listed its shares on the Indonesia Stock Exchange in 1992. Contrary to Greenpeace reports, GAR has 125 subsidiaries and associated companies and 53 are involved in ownership and cultivation of oil palm plantations. As listed companies, both GAR and SMART comply with the relevant stock exchange rules and regulations. Both have their own independent board and management, and they are separate from the other companies alluded to by Greenpeace.

Palm oil is an important product and helps to alleviate poverty in Indonesia. The industry provides direct employment for approximately 4.5 million persons in the country. In 2005, palm oil accounted for US\$ 3.8 billion of exports, or 6% of non oil and gas exports of the country. In 2009, it reached US\$ 10.4 billion worth of exports or 11% of Indonesia's non oil and gas exports. In addition, the product is a vital component in the food chain, allowing the world to meet its growing demand for food. The presence of palm oil makes a wide range of products – from food to cosmetics – affordable for households.

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About PT SMART Tbk (“SMART”)

SMART is one of the largest, publicly-listed, integrated palm-based consumer companies in Indonesia which is committed to sustainable palm oil production.

Founded in 1962, SMART's palm plantations have a total coverage area of approximately 135,000 hectares (including small holders). SMART also operates 15 mills, four kernel crushing plants and three refineries. SMART listed its shares on the Indonesia Stock Exchange in 1992.

SMART's primary activities are cultivating and harvesting of palm trees, processing of fresh fruit bunches into crude palm oil ("CPO") and palm kernel, and refining CPO into value-added products such as cooking oil, margarine and shortening.

Besides bulk and industrial oil, SMART's refined products are also marketed under several brands such as Filma and Kunci Mas. Today, these brands have been recognised for their high quality and command significant market share in their respective segmentation in Indonesia.

SMART is a subsidiary of Golden Agri-Resources Ltd ("GAR"), one of the largest palm-based companies in the world which is listed on the Singapore Exchange. SMART also manages all oil palm plantations of GAR which has a total planted area of 430,200 hectares (including small holders) in Indonesia, as at 31 March 2010.

This relationship benefits SMART with its economies of scale in plantation management, information technology, research and development, sourcing of raw material, and access to a wide domestic and international marketing network.