

SMART reiterates that it is not responsible for clearing primary forests and orang-utan habitats

SMART only operates on degraded land based on government concessions

Jakarta, 29 July 2010 – PT SMART Tbk (“SMART”) understands that there have been aerial photographs taken by journalists who were on a flight organised by Greenpeace around 5 and 6 July 2010. While some of these published photographs were taken over SMART’s concession areas in the Kapuas Hulu district, in West Kalimantan, SMART would like to clarify that these pictures are not the evidence of deforestation of primary forests, as referenced in media reports.

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. Deforestation and the impact of orang-utans and other biodiversity would have already taken place well before SMART or GAR had management or control of it.

“We are not responsible for clearing primary forests, which are the natural habitats for orang-utans, and High Conservation Value areas. On the contrary, all our concession areas do not contain primary forests and we conserve High Conservation Value areas, creating sanctuaries that will continue to preserve biodiversity”, said Daud Dharsono, President Director of SMART.

In addition, in the case of degraded land, there could be areas with High Conservation Value (“HCV”). According to SMART’s sustainability commitment and the Roundtable on Sustainable Palm Oil (“RSPO”) guidelines, these areas are conserved. SMART reiterates that the greenery in the photographs is evidence of remaining conserved HCV areas in the degraded land in the concessions we own or manage. They are not remnants of primary forest caused by SMART’s palm oil operations. These are in fact preserved areas, as a result of our commitment to conserve HCV land. SMART conducts the necessary environmental assessments as part of our land development process, including in the Kapuas Hulu district.

SMART is a responsible company. We comply with the laws and regulations of the Indonesian government. We reiterate that as part of our sustainability commitments, SMART does not plant oil palm trees on peat land, primary forests nor convert land with HCV. 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 also absolutely against burning and established a zero burning policy in 1997, ahead of the Indonesian government. The national policy on zero burning was subsequently established in 1999. We have also undertaken an independent verification exercise to address earlier claims made by Greenpeace. The verification result will be released in full on 10 August 2010.

For further information please contact:

For Indonesia:

Fajar Reksoprodjo

Corporate Affairs

Tel : (62 – 21) 318 1388

Fax : (62 – 21) 318 1390

Cell : (62 – 881) 123 9513

Email : fajar-reksoprodjo@smart-tbk.com

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.