



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group					
	Nine months ended			Three months ended		
	30.09.2008	30.09.2007	Change	30.09.2008	30.09.2007	Change
	Rp.'million	Rp.'million	(%)	Rp.'million	Rp.'million	(%)
Sales	2,090,383	1,182,632	76.8%	636,473	422,066	50.8%
Cost of sales	(650,464)	(583,076)	11.6%	(206,511)	(179,589)	15.0%
<b>Gross profit</b>	<b>1,439,919</b>	<b>599,556</b>	<b>140.2%</b>	<b>429,962</b>	<b>242,477</b>	<b>77.3%</b>
Gains arising from changes in fair value of biological assets	298,959	204,624	46.1%	-	-	-
Other operating income/(expenses)	5,175	(2,099)	n.m.	2,878	(2,103)	n.m.
Selling and distribution costs	(147,342)	(25,056)	488.1%	(41,159)	(13,923)	195.6%
General and administrative expenses	(83,885)	(38,623)	117.2%	(28,122)	(14,641)	92.1%
Gains/ (losses) on foreign exchange	5,796	(2,525)	n.m.	13,505	1,681	703.5%
<b>Profit from operations</b>	<b>1,518,622</b>	<b>735,877</b>	<b>106.4%</b>	<b>377,064</b>	<b>213,491</b>	<b>76.6%</b>
Financial expenses	(167,243)	(80,837)	106.9%	(93,776)	(23,428)	300.3%
Financial income	30,853	1,083	2748.8%	16,047	346	4537.9%
Share of results of associate	-	21,696	(100.0%)	-	8,325	(100.0%)
<b>Profit before taxation</b>	<b>1,382,232</b>	<b>677,819</b>	<b>103.9%</b>	<b>299,335</b>	<b>198,734</b>	<b>50.6%</b>
Tax expense	(417,863)	(200,568)	108.3%	(86,526)	(58,266)	48.5%
<b>Profit for the period</b>	<b>964,369</b>	<b>477,251</b>	<b>102.1%</b>	<b>212,809</b>	<b>140,468</b>	<b>51.5%</b>
<b>Attributable to :</b>						
Equity holders of the Parent	920,202	311,097	195.8%	202,902	93,516	117.0%
Minority interests	44,167	166,154	(73.4%)	9,907	46,952	(78.9%)
	<b>964,369</b>	<b>477,251</b>	<b>102.1%</b>	<b>212,809</b>	<b>140,468</b>	<b>51.5%</b>

n.m. – not meaningful



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**Additional Information**

**(A) Earnings before tax, minority interests, interest on borrowings, depreciation and amortisation (“EBITDA”)**

	Group					
	Nine months ended			Three months ended		
	30.09.2008	30.09.2007	Change	30.09.2008	30.09.2007	Change
	Rp.'million	Rp.'million	(%)	Rp.'million	Rp.'million	(%)
Profit from operations	1,518,622	735,877	106.4%	377,064	213,491	76.6%
Add: Depreciation and amortisation	65,202	40,181	62.3%	26,257	7,502	250.0%
Less: Gains from changes in fair value of biological assets	(298,959)	(204,624)	46.1%	-	-	n.m
<b>EBITDA</b>	<b>1,284,865</b>	<b>571,434</b>	<b>124.8%</b>	<b>403,321</b>	<b>220,993</b>	<b>82.5%</b>
EBITDA margin	61.5%	48.3%		63.4%	52.4%	

**(B) Breakdown and explanatory notes to Group’s income statement**

	Group			
	Nine months ended		Three months ended	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<u>Included in Profit from Operations are:</u>				
Depreciation of property, plant and equipment	60,349	35,668	24,760	11,153
<u>Included in Financial Expenses are:</u>				
Interest expense on USD notes	68,693	66,519	24,712	3,361
Interest expense on Rupiah bond	41,773	-	13,293	-
Mark-to-market losses of cross currency swap	62,576	-	34,467	-
<u>Included in Financial Income are:</u>				
Gains on net settlement of interest on cross currency swap	(15,265)	-	(5,128)	-



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

	Group		Company	
	As at		As at	
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<b>ASSETS</b>				
<b>Non-current assets</b>				
Biological assets - plantations	3,709,964	3,257,804	-	-
Plasma plantation receivables	115,966	97,065	-	-
Property, plant and equipment	1,454,510	981,365	3,159	967
Advance for purchase of fixed assets	83,297	-	-	-
Land use rights	79,137	78,275	-	-
Investment in subsidiaries	-	-	1,740,140	1,740,140
Intangible assets	32,759	1,910	-	-
Tax recoverable	816	7,334	-	-
Deferred tax assets	9,124	9,211	-	-
Other non-current assets	6,959	208	-	-
<b>Total non-current assets</b>	<b>5,492,532</b>	<b>4,433,172</b>	<b>1,743,299</b>	<b>1,741,107</b>
<b>Current assets</b>				
Inventories	263,970	150,936	388	-
Trade receivables	34,844	36,945	-	-
Other receivables	29,541	26,411	1,201	1,937
Advances and prepayments	86,825	17,769	859	5,055
Prepaid taxes	31,528	23,427	-	-
Margin call deposits	33,950	-	33,950	-
Loan to third party	29,555	-	29,555	-
Advance payment for acquisition of subsidiary	31,245	-	31,245	888
Cash and bank balances	1,276,729	1,558,077	534,764	673,564
<b>Total current assets</b>	<b>1,818,187</b>	<b>1,813,565</b>	<b>631,962</b>	<b>681,444</b>
<b>Total assets</b>	<b>7,310,719</b>	<b>6,246,737</b>	<b>2,375,261</b>	<b>2,422,551</b>



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(b)(i) Balance Sheets (continued)**

	Group		Company	
	As at		As at	
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<b>EQUITY AND LIABILITIES</b>				
<b>Current liabilities</b>				
Trade payables	116,878	88,172	-	-
Other payables and accruals	158,369	101,571	3,129	5,634
Due to immediate holding company	-	3,534	-	4,422
Advances from customers	119,688	56,752	-	-
Loans and borrowings from financial institutions	11,641	14,545	118	98
Provision for taxation	217,400	177,237	432	-
<b>Total current liabilities</b>	<b>623,976</b>	<b>441,811</b>	<b>3,679</b>	<b>10,154</b>
<b>Non-current liabilities</b>				
Loans and borrowings from financial institutions	6,257	9,602	551	648
Bonds payable	491,388	490,263	-	-
Notes payable	1,409,452	1,455,946	-	-
Derivative financial liability	116,556	3,747	-	-
Provision for post employment benefits	29,318	26,801	-	-
Deferred tax liabilities	601,201	511,925	-	-
<b>Total non-current liabilities</b>	<b>2,654,172</b>	<b>2,498,284</b>	<b>551</b>	<b>648</b>
<b>Total liabilities</b>	<b>3,278,148</b>	<b>2,940,095</b>	<b>4,230</b>	<b>10,802</b>
<b>Net assets</b>	<b>4,032,571</b>	<b>3,306,642</b>	<b>2,371,031</b>	<b>2,411,749</b>



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(b)(i) Balance Sheets (continued)**

	Group		Company	
	As at		As at	
	30.09.2008	31.12.2007	30.09.2008	31.12.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<b>Equity attributable to equity holders of the Parent</b>				
Share capital	2,350,605	2,350,605	2,350,605	2,350,605
Treasury shares	(63,316)	-	(63,316)	-
Differences arising from restructuring transactions involving entities under common control	314,410	314,410	-	-
Capital reserve	(274,056)	(274,056)	-	-
Revaluation reserve	2,565	2,565	-	-
Translation reserve	71,261	65,066	71,261	65,066
Cash flow hedge reserve	(47,808)	-	-	-
Retained earnings/(accumulated losses)	1,533,945	747,254	12,481	(3,922)
	<b>3,887,606</b>	<b>3,205,844</b>	<b>2,371,031</b>	<b>2,411,749</b>
Minority interests	144,965	100,798	-	-
<b>Total equity</b>	<b>4,032,571</b>	<b>3,306,642</b>	<b>2,371,031</b>	<b>2,411,749</b>



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(b)(ii) Aggregate amount of group's borrowings and debt securities:**

- repayable in one year or less, or on demand
- repayable after one year

	Group					
	As at 30.09.2008			As at 31.12.2007		
	Rp.'million			Rp.'million		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	-	11,641	11,641	-	14,545	14,545
Amount repayable after one year	1,900,840	6,257	1,907,097	1,946,209	9,602	1,955,811
<b>Total</b>	<b>1,900,840</b>	<b>17,898</b>	<b>1,918,738</b>	<b>1,946,209</b>	<b>24,147</b>	<b>1,970,356</b>

**Details of any collateral**

(1) Notes payable are secured by:

- (i) a security interest in a prefunded interest reserve account;
- (ii) a security interest in the escrow account;
- (iii) a security interest in the new biodiesel plant to be constructed by a subsidiary - PT Ciliandra Perkasa ("PT CLP");
- (iv) a security interest in all moveable assets of PT CLP and its restricted subsidiaries, whether located in Republic of Indonesia or Singapore, including cash accounts, but excluding accounts receivable and inventories;
- (v) a pledge by Ciliandra Perkasa Finance Company Pte. Ltd. of its rights in the intercompany loans made with the net proceeds of the notes; and
- (vi) pledges by the shareholders of PT CLP of 100% of the share capital of PT CLP and a pledge by PT CLP and any restricted subsidiary holding the shares of another restricted subsidiary of all such shares held.

(2) Bonds payable are secured by:

- (i) biological assets and fixed assets on the land on which land utilization rights have been issued to PT Meridan Sejatisurya Plantation amounting to Rp 500 billion.



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group			
	Nine months ended		Three months ended	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<b>Cash flows from operating activities</b>				
Cash receipt from customers (Note A)	2,155,420	1,215,293	722,666	458,561
Cash payments to suppliers and employees	(998,907)	(657,590)	(338,233)	(203,601)
Effects of exchange rates	6,119	81	5,155	81
<b>Cash generated from operations</b>	<b>1,162,632</b>	<b>557,784</b>	<b>389,588</b>	<b>255,041</b>
Receipts from :				
Interest income	23,422	12,348	6,575	3,167
Income tax refunds	6,860	759	-	759
Payments for :				
Interest expenses	(132,643)	(88,577)	(13,827)	(8,418)
Income tax	(281,366)	(67,739)	(61,420)	(14,568)
Income tax penalties	(1,190)	-	-	-
<b>Net cash generated from operating activities</b>	<b>777,715</b>	<b>414,575</b>	<b>320,916</b>	<b>235,981</b>
<b>Cash flow from investing activities</b>				
Acquisition of property, plant and equipment	(520,803)	(317,830)	(200,943)	(129,160)
Advance payment for property, plant and equipment	(83,297)	-	(59,127)	260
Proceeds from sale of property, plant and equipment	-	142	-	-
Payment for development of oil palm plantations	(79,261)	(134,958)	(32,286)	(42,327)
Payment for development of plasma plantations-net	(18,901)	(32,721)	(5,782)	(9,512)
Advance payment for acquisition of subsidiary	(31,245)	-	(31,245)	-
Acquisition of additional shares in associate	-	(8,750)	-	(8,750)
Acquisition of subsidiary	(12,441)	(10,307)	(12,441)	(10,307)
Dividend received from an associate	-	250	-	-
Loan to third party	(29,555)	-	(29,555)	-
Acquisition of intangible assets	-	(1,815)	-	(803)
Increase in deferred charges	(6,720)	(258)	(6,591)	8,540
Decrease in due from related parties	-	14,336	-	14,336
<b>Net cash used in investing activities</b>	<b>(782,223)</b>	<b>(491,911)</b>	<b>(377,970)</b>	<b>(177,723)</b>



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(c) Consolidated Cash Flow Statement (continued)**

	Group			
	Nine months ended		Three months ended	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<b>Cash flows from financing activities</b>				
Proceeds from issuance of shares, net of issuance costs	-	2,965	-	10
Buy-back of ordinary shares	(63,316)	-	(63,316)	-
Dividends paid	(133,511)	-	(133,511)	-
Repayment of share allotment monies received from shareholders	-	-	-	731
Redemption of bonds payable	-	(90,315)	-	-
Redemption of notes payable	(46,170)	-	-	-
Release of restricted funds	150,000	710,778	-	-
Net cash proceeds from cross currency swap transactions	15,265	-	5,072	-
Margin call deposit	(33,950)	-	(33,950)	-
Payment of obligations under capital leases	(4,609)	(4,426)	(1,110)	(1,775)
Payment of consumer financing loans	(9,828)	(3,767)	(2,234)	(834)
(Decrease)/increase in due to related parties, net	(721)	(88,309)	346	(32,869)
<b>Net cash (used in)/generated from financing activities</b>	<b>(126,840)</b>	<b>526,926</b>	<b>(228,703)</b>	<b>(34,737)</b>
Net (decrease)/increase in cash on hand and in banks	(131,348)	449,590	(285,757)	23,521
Cash on hand and in banks, at the beginning of the financial period	1,408,077	34,712	1,562,486	460,781
<b>Cash on hand and in banks, at the end of the financial period</b>	<b>1,276,729</b>	<b>484,302</b>	<b>1,276,729</b>	<b>484,302</b>
<u>Note A</u>				
Cash receipts from customers is as follows:				
Sales	2,090,383	1,182,632	636,473	422,066
Decrease/(increase) in trade receivables	2,101	(23,542)	60,201	(4,650)
Increase in advance from customers	62,936	56,203	25,992	41,145
	<b>2,155,420</b>	<b>1,215,293</b>	<b>722,666</b>	<b>458,561</b>





**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(d) (i) A statement (for the issuer and group) showing either all changes in equity or changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

Group	----- Attributable to Equity Holders of the Parent -----									
	Share capital	Treasury Shares	Differences arising from restructuring transactions involving entities under common control	Capital reserve	Revaluation reserve	Foreign translation reserves	Cash flow hedge reserves	Retained earnings	Minority interests	Total equity
Items	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<b>Three months ended 30 Sept 2008</b>										
At 1 Jul 2008	2,350,605	-	314,410	(274,056)	2,565	66,177	-	1,448,874	150,738	4,059,313
Foreign currency translation adjustments	-	-	-	-	-	5,084	-	-	-	5,084
Net gain on fair value changes	-	-	-	-	-	-	(47,808)	-	-	(47,808)
<b>Net income recognised directly in equity</b>	-	-	-	-	-	<b>5,084</b>	<b>(47,808)</b>	-	-	<b>(42,724)</b>
Profit for the period	-	-	-	-	-	-	-	218,582	(5,773)	212,809
<b>Total recognised income for the period</b>	-	-	-	-	-	<b>5,084</b>	<b>(47,808)</b>	<b>218,582</b>	<b>(5,773)</b>	<b>170,085</b>
Dividend paid	-	-	-	-	-	-	-	(133,511)	-	(133,511)
Buy-back of ordinary shares	-	(63,316)	-	-	-	-	-	-	-	(63,316)
<b>At 30 Sept 2008</b>	<b>2,350,605</b>	<b>(63,316)</b>	<b>314,410</b>	<b>(274,056)</b>	<b>2,565</b>	<b>71,261</b>	<b>(47,808)</b>	<b>1,533,945</b>	<b>144,965</b>	<b>4,032,571</b>
<b>Three months ended 30 Sept 2007</b>										
At 1 Jul 2007	444,814	-	324,959	-	-	(6,925)	-	533,578	634,200	1,930,626
Foreign currency translation adjustments	-	-	-	-	-	239	-	-	-	239
<b>Net income recognised directly in equity</b>	-	-	-	-	-	<b>239</b>	-	-	-	<b>239</b>
Profit for the period	-	-	-	-	-	-	-	93,516	46,952	140,468
<b>Total recognised income for the period</b>	-	-	-	-	-	<b>239</b>	-	<b>93,516</b>	<b>46,952</b>	<b>140,707</b>
Acquisition of subsidiary	-	-	(10,549)	-	-	-	-	-	-	(10,549)
Repayment of application monies	-	-	-	-	-	-	-	-	890	890
<b>At 30 Sept 2007</b>	<b>444,814</b>	-	<b>314,410</b>	-	-	<b>(6,686)</b>	-	<b>627,094</b>	<b>682,042</b>	<b>2,061,674</b>



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(d) (i) Statement in Changes in Equity (continued)**

Group	----- Attributable to Equity Holders of the Parent -----									
	Share capital	Treasury Shares	Differences arising from restructuring transactions involving entities under common control	Capital reserve	Revaluation reserve	Foreign translation reserves	Cash flow hedge reserves	Retained earnings	Minority interests	Total equity
Items	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<b>Nine months ended 30 Sept 2008</b>										
At 1 Jan 2008	2,350,605	-	314,410	(274,056)	2,565	65,066	-	747,254	100,798	3,306,642
Foreign currency translation adjustments	-	-	-	-	-	6,195	-	-	-	6,195
Net gain on fair value changes	-	-	-	-	-	-	(47,808)	-	-	(47,808)
<b>Net income recognised directly in equity</b>	-	-	-	-	-	<b>6,195</b>	<b>(47,808)</b>	-	-	<b>(41,613)</b>
Profit for the period	-	-	-	-	-	-	-	920,202	44,167	964,369
<b>Total recognised income for the period</b>	-	-	-	-	-	<b>6,195</b>	<b>(47,808)</b>	<b>920,202</b>	<b>44,167</b>	<b>922,756</b>
Dividend paid	-	-	-	-	-	-	-	(133,511)	-	(133,511)
Buy-back of ordinary shares	-	(63,316)	-	-	-	-	-	-	-	(63,316)
<b>At 30 Sept 2008</b>	<b>2,350,605</b>	<b>(63,316)</b>	<b>314,410</b>	<b>(274,056)</b>	<b>2,565</b>	<b>71,261</b>	<b>(47,808)</b>	<b>1,533,945</b>	<b>144,965</b>	<b>4,032,571</b>
<b>Nine months ended 30 Sept 2007</b>										
At 1 Jan 2007	330,487	-	324,959	-	-	(100)	-	315,997	624,738	1,596,081
Foreign currency translation adjustments	-	-	-	-	-	(6,586)	-	-	-	(6,586)
<b>Net income recognised directly in equity</b>	-	-	-	-	-	<b>(6,586)</b>	-	-	-	<b>(6,586)</b>
Profit for the period	-	-	-	-	-	-	-	311,097	166,154	477,251
<b>Total recognised income for the period</b>	-	-	-	-	-	<b>(6,586)</b>	-	<b>311,097</b>	<b>166,154</b>	<b>470,665</b>
Issuance of additional ordinary shares	114,327	-	-	-	-	-	-	-	-	114,327
Acquisition of subsidiary	-	-	(10,549)	-	-	-	-	-	-	(10,549)
Repayment of application monies	-	-	-	-	-	-	-	-	(108,850)	(108,850)
<b>At 30 Sept 2007</b>	<b>444,814</b>	-	<b>314,410</b>	-	-	<b>(6,686)</b>	-	<b>627,094</b>	<b>682,042</b>	<b>2,061,674</b>



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(d) (i) Statement of Changes in Equity (continued)**

Company	Attributable to equity holders of the Company				
	Share capital	Treasury Shares	Foreign translation reserves	Retained earnings (Accumulated losses)	Total
	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<b><u>Three months ended 30 Sept 2008</u></b>					
Balance as at 1 Jul 2008	2,350,605	-	66,177	(2,278)	2,414,504
Foreign currency translation adjustments	-	-	5,084	-	5,084
<b>Net income recognised directly in equity</b>	-	-	<b>5,084</b>	-	<b>5,084</b>
Profit for the period	-	-	-	148,270	148,270
<b>Total recognised income for the period</b>	-	-	<b>5,084</b>	<b>148,270</b>	<b>153,354</b>
Dividend paid	-	-	-	(133,511)	(133,511)
Buy-back of ordinary shares	-	(63,316)	-	-	(63,316)
<b>Balance as at 30 Sept 2008</b>	<b>2,350,605</b>	<b>(63,316)</b>	<b>71,261</b>	<b>12,481</b>	<b>2,371,031</b>
<b><u>Three months ended 30 Sept 2007</u></b>					
Balance as at 1 Jul 2007	444,814	-	(6,280)	(669)	437,865
Foreign currency translation adjustments	-	-	(406)	-	(406)
<b>Net income recognised directly in equity</b>	-	-	<b>(406)</b>	-	<b>(406)</b>
Loss for the period	-	-	-	(335)	(335)
<b>Total recognised income for the period</b>	-	-	<b>(406)</b>	<b>(335)</b>	<b>(741)</b>
<b>Balance as at 30 Sept 2007</b>	<b>444,814</b>	-	<b>(6,686)</b>	<b>(1,004)</b>	<b>437,124</b>
<b><u>Nine months ended 30 Sept 2008</u></b>					
Balance as at 1 Jan 2008	2,350,605	-	65,066	(3,922)	2,411,749
Foreign currency translation adjustments	-	-	6,195	-	6,195
<b>Net income recognised directly in equity</b>	-	-	<b>6,195</b>	-	<b>6,195</b>
Profit for the period	-	-	-	149,914	149,914
<b>Total recognised income for the period</b>	-	-	<b>6,195</b>	<b>149,914</b>	<b>156,109</b>
Dividend paid	-	-	-	(133,511)	(133,511)
Buy-back of ordinary shares	-	(63,316)	-	-	(63,316)
<b>Balance as at 30 Sept 2007</b>	<b>2,350,605</b>	<b>(63,316)</b>	<b>71,261</b>	<b>12,481</b>	<b>2,371,031</b>
<b><u>Nine months ended 30 Sept 2007</u></b>					
Balance as at 1 Jan 2007	330,487	-	(100)	(89)	330,298
Foreign currency translation adjustments	-	-	(6,586)	-	(6,586)
<b>Net income recognised directly in equity</b>	-	-	<b>(6,586)</b>	-	<b>(6,586)</b>
Loss for the period	-	-	-	(915)	(915)
<b>Total recognised income for the period</b>	-	-	<b>(6,586)</b>	<b>(915)</b>	<b>(7,501)</b>
Issuance of additional ordinary shares	114,327	-	-	-	114,327
<b>Balance as at 30 Sept 2007</b>	<b>444,814</b>	-	<b>(6,686)</b>	<b>(1,004)</b>	<b>437,124</b>



**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

During the 3 months ended 30 September 2008, the Company purchased a total of 14,898,000 shares from the public, and held them as treasury shares. Other than these share buybacks, there were no other changes in the Company's share capital.

	Company	
	As at	
	30.09.2008	31.12.2007
Number of shares held as treasury shares	14,898,000	-
Number of issued shares excluding treasury shares	1,453,561,221	1,468,459,221
Total number of issued shares	1,468,459,221	1,468,459,221

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	Company	
	As at	
	30.09.2008	31.12.2007
Number of issued shares excluding treasury shares	1,453,561,221	1,468,459,221

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

There were no treasury shares which were sold, transferred, disposed, cancelled or used in the current financial period.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The financial statements presented above have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.



**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements as at 31 December 2007 except for the adoption of the Financial Reporting Standards (FRS) and Interpretation of FRS (INT FRS) that are mandatory for the financial years beginning on or after 1 January 2008. The adoption of these FRS and INT FRS has no significant impact to the Group.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

**6. Earnings Per Ordinary Share (EPS) of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Basic earnings per share amounts are calculated by dividing earnings for the corresponding periods attributable to the equity holders of the Group by the weighted average number of ordinary shares of the Company outstanding at the end of the respective financial period. Diluted earnings per share is calculated on the same basis as the basic earnings per share except that the weighted average number of shares outstanding during the period is adjusted for the effect of all dilutive potential ordinary shares. The Company has no dilutive potential ordinary shares as at 30 September 2007 and 30 September 2008.

Items	Group			
	Nine months ended		Three months ended	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
Earnings per ordinary share for the period (in Rupiah) :				
(i) Basic	627.56	4,604.73	138.77	1,528.79
(ii) Fully diluted	627.56	4,604.73	138.77	1,528.79
Weighted average number of shares applicable to basic and fully diluted earnings per share	1,466,328,346	67,560,334	1,462,136,080	61,169,891



**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**6. Earnings Per Ordinary Share (continued)**

The change in the weighted average number of shares used to compute the earnings per share was due to:

- (i) capital restructuring that occurred before the Company's initial public offering, including a share split
- (ii) new ordinary shares issued pursuant to the initial public offering; and
- (iii) adjusted for treasury shares held as of end of September 2008

**7. Net Asset Value Per Ordinary Share (NAV) (for the issuer and group) per ordinary share based on issued share capital the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) **current financial period reported on; and**
- (b) **immediately preceding financial year**

Items	Group		Company	
	As at 30.09.2008	As at 31.12.2007	As at 30.09.2008	As at 31.12.2007
	Rp.	Rp.	Rp.	Rp.
Net asset value per ordinary share based on issued share capital as at 30 September 2008 / 31 December 2007 (excluding treasury shares)	2,653.32	2,183.13	1,631.19	1,642.37

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

**INCOME STATEMENT**

For the three months ("3Q2008") and nine months ("9M2008") ended 30 September 2008, the Group's income statements included the results of PT Meridan Sejatisurya Plantation ("PT MSSP"), which effectively became a 94%-owned subsidiary after acquisitions of additional interest in July and December 2007. For the three months ("3Q2007") and nine months ("9M2007") ended 30 September 2007, the Group only equity-accounted for PT MSSP as it was a 32%-owned associate at that time. Furthermore, the acquisition of minority interests in PT Panca Surya Agrindo ("PT PSA") in December 2007 also resulted in a smaller proportion of results being shared with minority shareholders in 3Q2008/9M2008 as compared to 3Q2007/9M2007.



**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**8. Review of Group Performance (continued)**

**Sales**

Our sales increased by 50.8% from Rp422.1 billion in 3Q2007 to Rp636.5 billion in 3Q2008 due to the increased sales of crude palm oil (“CPO”) and palm kernel (“PK”). Our sales of CPO increased by 47.9% from Rp381.0 billion to Rp563.2 billion due to increase in sales volume as well as higher average selling prices. The increase in sales volume was primarily a result of improved CPO extraction rates, higher production volumes of fresh fruit bunches from our plantations and the contribution by PT MSSP. This was partially offset by lower CPO purchase-and-resale activity in 3Q2008 as compared to 3Q2007. Our sales of PK also increased by 77.4% from Rp40.5 billion to Rp71.9 billion.

Our sales increased by 76.8% from Rp1,182.6 billion in 9M2007 to Rp2,090.4 billion in 9M2008.

Sales	9M2008	9M2007	Change	3Q2008	3Q2007	Change
	Rp.'million	Rp.'million	%	Rp.'million	Rp.'million	%
Crude Palm Oil	1,827,830	1,050,320	74.0%	563,228	380,944	47.9%
Palm Kernel	261,235	110,364	136.7%	71,926	40,545	77.4%
Fresh Fruit Bunches	-	21,371	(100.0%)	-	-	-
Others	1,319	577	128.6%	1,319	577	128.6%
<b>Total Sales</b>	<b>2,090,383</b>	<b>1,182,632</b>	<b>76.8%</b>	<b>636,473</b>	<b>422,066</b>	<b>50.8%</b>

Sales Volume	9M2008	9M2007	Change	3Q2008	3Q2007	Change
	Ton	Ton	%	Ton	Ton	%
Crude Palm Oil	240,053	198,121	21.2%	80,153	65,249	22.8%
Palm Kernel	58,775	37,036	58.7%	19,434	12,083	60.8%
Fresh Fruit Bunches	-	20,517	(100.0%)	-	-	-

Average Price/kg	9M2008	9M2007	Change	3Q2008	3Q2007	Change
	Rp.	Rp.	%	Rp.	Rp.	%
Crude Palm Oil	7,614	5,301	43.6%	7,027	5,838	20.4%
Palm Kernel	4,445	2,980	49.2%	3,701	3,356	10.3%
Fresh Fruit Bunches	-	1,042	n/m	-	-	-



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

## **Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

### **8. Review of Group Performance (continued)**

#### **Cost of Sales**

Our cost of sales increased by 15.0% from Rp179.6 billion in 3Q2007 to Rp206.5 billion in 3Q2008. This is primarily a result of increased costs in producing and purchasing fresh fruit bunches, processing costs, freight charges and factory general expenses. This was partially offset by lower CPO purchases in 3Q2008 as compared to 3Q2007.

Cost of producing fresh fruit bunches increased primarily as a result of increase in plantation general expenses and maintenance costs. Plantation general expenses increased as a result of an increase in the minimum wage levels throughout Indonesia and in particular the Riau province, as well as an increase in the cost of diesel fuel. Maintenance costs increased as a result of higher costs of fertilisers, and road and drainage maintenance.

Cost of purchasing fresh fruit bunches increased primarily due to an increase in the average price and volume of fresh fruit bunches purchased from plasma farmers. The prices for plasma fresh fruit bunches are set regularly by the regional government, based on market prices of CPO. As a result of an increase in CPO prices, the average prices for plasma fresh fruit bunches were higher in 3Q2008 as compared to 3Q2007.

Processing costs, freight charges and factory general expenses increased as a result of an increase in the volume of fresh fruit bunches processed and an increase in the cost of diesel fuel, a principal cost item for these activities.

Our cost of sales increased by 11.6% from Rp583.1 billion in 9M2007 to Rp650.5 billion in 9M2008.

#### **Gross Profit**

As a result of the foregoing, our gross profit increased by 77.3% from Rp242.5 billion in 3Q2007 to Rp430.0 billion in 3Q2008. Gross profit margin increased from 57.5% in 3Q2007 to 67.6% in 3Q2008.

For 9M2008, gross profit increased by 140.2% from Rp599.6 billion in 9M2007 to Rp1,439.9 billion. Gross profit margin increased from 50.7% in 9M2007 to 68.9% in 9M2008.

#### **Net Gain from Changes in Fair Value of Biological Assets**

In accordance with the Group's accounting policy, the Group performs valuation of its biological assets on a half-yearly basis. There were therefore no gains/losses from changes in valuation of biological assets in 3Q2008.

The fair value of biological assets – our plantations, is determined based on the present value of their expected net future cash flows. The expected future cash flows of the underlying plantations are determined using forecasted markets prices of the products. Any resultant gains or losses arising from changes in fair value are recognised in the income statement.





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## Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008

### 8. Review of Group Performance (continued)

#### Operating Expenses

- **Selling and distribution costs**

Selling and distribution costs increased by 195.6% from Rp13.9 billion in 3Q2007 to Rp41.2 billion in 3Q2008. This significant increase was mainly due to higher export taxes incurred as a result of an increase in Indonesia's export taxes levied on CPO and an increase in our CPO export volume.

Selling and distribution costs increased by 488.1% from Rp25.1 billion in 9M2007 to Rp147.3 billion in 9M2008.

- **General and administrative expenses**

General and administrative expenses increased by 92.1% from Rp14.6 billion in 3Q2007 to Rp28.1 billion in 3Q2008. This was mainly due to increases in salaries.

General and administrative expenses increased by 117.2% from Rp38.6 billion in 9M2007 to Rp83.9 billion in 9M2008.

#### Gains / (Losses) on Foreign Exchange

We recorded a gain of Rp13.5 billion on foreign exchange, compared to a gain of Rp1.7 billion in 3Q2007. The gain was primarily due to net realized gains on the settlement of the Group's sales and purchases denominated in US Dollars.

For 9M2008, we had a cumulative gain on foreign exchange of Rp5.8 billion.

#### Financial Expenses, Net

Net financial expenses comprise interest expenses after deducting interest income, other finance charges and unrealized losses/ gains arising from foreign exchange relating to financial activities.

Net financial expenses increased by 236.8% from Rp23.1 billion in 3Q2007 to Rp77.7 billion in 3Q2008. The increase is mainly due to additional indebtedness in the form of our November 2007 IDR bond, marked-to-market losses on the Group's cross currency swap, as well as foreign exchange losses arising from Rupiah translation of our USD Notes. There was no cross currency swap in 3Q2007.

Net financial expenses increased by 71.0% from Rp79.8 billion in 9M2007 to Rp136.4 billion in 9M2008.

#### Tax Expense

Tax expense increased by 48.5% from Rp58.3 billion in 3Q2007 to Rp86.5 billion in 3Q2008. This increase was mainly due to higher current taxes resulting from increased profit before taxation.

Tax expense increased by 108.3% from Rp200.6 billion in 9M2007 to Rp417.9 billion in 9M2008.



**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

## **Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

### **8. Review of Group Performance (continued)**

#### **Profit for the Period**

As a result of the foregoing, profit for the period increased by 51.5% from Rp140.5 billion in 3Q2007 to Rp212.8 billion in 3Q2008.

For 9M2008, profit for the period increased by 102.1% from Rp477.3 billion in 9M2007 to Rp964.4 billion.

#### **Minority Interest**

The significant decrease in minority interest expense from Rp47.0 billion in 3Q2007 to Rp9.9 billion in 3Q2008 was mainly due to the acquisition of a 38% interest of PT PSA shares from minority shareholders in December 2007. This increased the Group's effective shareholding in PT PSA from 59% as at 30 September 2007 to 95% as at 30 September 2008.

For the same reasons, minority interests expense decreased from Rp166.2 billion in 9M2007 to Rp44.2 billion in 9M2008.

#### **BALANCE SHEET**

As of 30 September 2008, biological assets grew by Rp452.2 billion from 31 December 2007 mainly due to our maintenance capex for our immature plantings, our new plantings and gains arising from biological assets valuation. Net book value of property, plant and equipment rose by Rp473.1 billion from 31 December 2007. The increase was mainly attributed to our capital expenditure in a new biodiesel plant and a new CPO mill.

The increase in inventory by Rp113.0 billion is mainly attributed to increase in fertilizer and seedlings. The increase in fertilizer inventory is due to increases in volumes and prices of fertilizers. The increase in seedling inventory is attributed to the Group's expansion plans. As at 30 September 2008, we had cash on hand and in banks amounting to Rp1,276.7 billion, a decrease of Rp281.3 billion from Rp1,558.1 billion as at 31 December 2007.

As of 30 September 2008, we had total non-current liabilities of Rp2,654.2 billion, an increase of Rp155.9 billion from 31 December 2007. The increase was primarily due to increased derivative financial liabilities incurred as a result of marked-to-market losses, and increased deferred tax liabilities due to gains arising from biological assets valuation. We also had Rp624.0 billion of current liabilities.

With the Group recording strong performances, coupled with share capital increase by the issue of 175,000,000 new shares in the IPO and the issuance of 133,909,091 new shares for the acquisition of interest in PT PSA, our total equity increased to Rp4,032.6 billion as at 30 September 2008. The increase in total equity was slightly offset by increase in treasury shares as a result of share buyback by the Company in 3Q2008, as well as payment of an interim dividend in 3Q2008. Capital reserve relates to premium paid on acquisition of minority interest in PT PSA.



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## **Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

### **8. Review of Group Performance (continued)**

#### **CASH FLOW STATEMENT**

##### **Cash Flows from Operating Activities**

Our net cash generated from operating activities increased 36.0%, from Rp236.0 billion in 3Q2007 to Rp320.9 billion in 3Q2008. This increase was primarily due to an increase in cash receipts from customers by 57.6% from Rp458.6 billion in 3Q2007 to Rp722.7 billion in 3Q2008, which was attributable mainly to increased net sales. This increase was partially offset by an increase in cash payments to suppliers and employees by 66.1% from Rp203.6 billion in 3Q2007 to Rp338.2 billion in 3Q2008 (arising primarily from increased expenses for purchases of fresh fruit bunches from plantations under the Plasma Program and the KKPA Program), and an increase in corporate income tax payments of 321.6%, from Rp14.6 billion in 3Q2007 to Rp61.4 billion in 3Q2008, arising from higher taxable income.

Our net cash generated from operating activities increased by 87.6%, from Rp414.6 billion in 9M2007 to Rp777.7 billion in 9M2008.

##### **Cash Flows from Investing Activities**

Our net cash used in investing activities increased by 112.7%, from Rp177.7 billion in 3Q2007 to Rp378.0 billion in 3Q2008. This increase was attributable to an increase in acquisitions of property, plant and equipment by 55.6%, from Rp129.2 billion in 3Q2007 to Rp200.9 billion in 3Q2008.

Our net cash used in investing activities increased by 59.0% from Rp491.9 billion in 9M2007 to Rp782.2 billion in 9M2008.

##### **Cash Flows from Financing Activities**

Our net cash used in financing activities increased by 558.4% from Rp34.7 billion in 3Q2007 to Rp228.7 billion in 3Q2008. This was mainly due to interim dividends paid out in 3Q2008 amounting to Rp133.5 billion and buyback of ordinary shares via open market purchase in 3Q2008 amounting to Rp63.3 billion.

Net cash used in financing activities in 9M2008 amounted to Rp126.8 billion compared to net cash generated from financing activities in 9M2007 amounting to Rp526.9 billion. This was mainly due to release of restricted funds of Rp710.8 billion in 9M2007.

As a result of the foregoing, the Group's cash and cash equivalent as of 30 September 2008 increased to Rp1,276.7 billion.

### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable



**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

Crude palm oil (“CPO”) prices experienced a steep decline starting in the third quarter of 2008, which continued into the fourth quarter. This was due to the decline in crude oil prices, increased global recessionary worries, the exit of financial investors from the commodity space, as well as the build-up of palm oil inventory in Indonesia and Malaysia. In light of the unfolding financial crisis, we expect palm oil demand to be constrained, as a result leading to weaker CPO prices in 4Q2008 and 2009 as compared to recent quarters. Lower CPO prices will impact our earnings.

Being one of the lowest cost producers in the industry, the Group will continue to focus on cost management and yield improvement to position ourselves in a tighter margin environment. We expect cost pressures to recede in the coming quarters, through lower fertilizer and diesel prices.

In view of the tighter credit environments and lower CPO prices, the Group is also adopting a more conservative approach towards our cash use via capital expenditure and capital structure management to ensure that our financial liquidity remains favourable.

We believe that the long-term fundamentals of the global palm oil industry remain sound. We expect the demand to improve, and therefore prices to recover in the medium term when the credit environment improves, and in the longer term when global economic growth resumes.

**11. Dividends**

**(a) Current financial period reported on**

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared for the current financial period reported on.

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**FIRST RESOURCES LIMITED** (REG. NO. 200415931M)

**Unaudited Financial Statements for the 3<sup>rd</sup> Quarter Ended 30 September 2008**

**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4)**

We, Lim Ming Seong and Ciliandra Fangiono, being two directors of First Resources Limited (“the Company”), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the third quarter ended 30 September 2008 financial results to be false or misleading.

**On behalf of the Board of Directors**

**Lim Ming Seong**  
Chairman

**Ciliandra Fangiono**  
Director and Chief Executive Officer

10 November 2008

*Note:*

*Citigroup Global Markets Singapore Pte. Ltd. was the Sole Global Coordinator, Bookrunner, Issue Manager and Underwriter for First Resources’ IPO and assumes no responsibility for the contents of this announcement.*