



FIRST RESOURCES LIMITED

Co.Reg.No.: 200415931M

8 Temasek Boulevard #36-02 Suntec Tower Three Singapore 038988

Tel: (65) 6333 6788 Fax: (65) 6333 6711 E-mail: contactus@first-resources.com

NEWS RELEASE

FIRST RESOURCES' 1QFY2008 EARNINGS SURGES 457% TO Rp311.4 BILLION (\$46.6 MILLION*)

- Revenue rises 120% to Rp733.9 billion (\$109.8 million*)
 - Driven by strong volume growth and higher palm oil prices
- EBITDA jumps 220% to a record Rp511.2 billion (\$76.5 million*)
- Strong growth in EBITDA margin from 47.9% in 1QFY2007 to 69.6% in 1QFY2008
- Expects strong growth momentum to sustain, riding on the favourable outlook for the palm oil sector

“Our impressive set of first quarter results reflects the strength of our business model. As a leading oil palm plantation company with a clear focus on the plantation segment of the value-chain, we are able to capitalise on favourable pricing trends of palm oil. In line with the stronger global demand for palm oil, reflected in the surge in CPO prices, overall gross profit and EBITDA margins improved significantly.”

“Moving ahead, the fundamentals of the palm oil sector remain positive with continued growth in vegetable oils consumption worldwide. Continued expansion of our plantation and processing capabilities will position us well for this phase of growth,” said Mr Ciliandra Fangiono, Director and Chief Executive Officer of First Resources.

* Rp 6,683 : S\$1

Singapore, 14 May 2008 – First Resources Limited (“First Resources” or, together with its consolidated subsidiaries, the “Group”), one of the leading oil palm plantation companies and producers of crude palm oil (“CPO”) in Indonesia, today announced a strong set of results for the first quarter ended 31 March 2008 (“1QFY2008”). Net profit registered an increase of 457% to Rp311.4 billion (S\$46.6 million*), on the back of a 120% surge in revenue to Rp733.9 billion (S\$109.8 million*).

This was mainly driven by increased sales volumes and higher CPO selling prices. The Group achieved a record CPO sales volume of 84,157 tons and palm kernel sales volume of 19,921 tons in 1QFY2008, an increase of 37% and 58% respectively over 1QFY2007. In addition, average CPO selling prices were 67% higher than 1QFY2007, against the backdrop of strong worldwide demand.

The Group’s Earnings Before Interest, Tax, Depreciation and Amortisation (“EBITDA”) also rose in tandem, achieving a strong growth of 220% to Rp511.2 billion (S\$76.5 million*), compared to Rp159.7 billion for the last corresponding period. EBITDA margin for 1QFY2008 was 69.6%, up from the 47.9% recorded for the previous corresponding period while gross margin rose to 73.0% in 1QFY2008 from 50.2% in 1QFY2007.

In line with the Group’s strong output growth, it registered an increase of 19.4% in the cost of sales for 1QFY2008, arising mainly from increases in the cost of producing and purchasing fresh fruit bunches, processing costs, freight charges and factory general expenses.

As at 31 March 2007, the Group maintained a strong balance sheet and working capital position, with approximately Rp1,712.1 billion (S\$256.2 million*) of cash and cash equivalents on hand.

* Rp 6,683 : S\$1

Strategies and Future Plans

The Group plans to expand its oil palm plantations in Indonesia via new plantings to steadily increase its CPO output and capitalise on the expected strong demand for CPO.

Said Mr Fangiono: “With our under-leveraged balance sheet and healthy cash position, we are well on track to expand our plantation footprint organically. In addition, we will also proactively seek strategic acquisition opportunities that will further enhance our assets and shareholders’ value.”

In tandem with the planned growth of its planted landbank, the Group is also looking to expand the annual processing capacity of its palm oil processing mills, through the installation of its eighth mill, which is expected to be commissioned by the first quarter of 2009. Upon commencement of production by the new mill, the Group’s CPO processing capacity will increase from the current 2.34 million tons to approximately 2.61 million tons of fresh fruit bunches per year.

To support the Group’s growth plans, it will continue to invest in research and development, palm maintenance and infrastructure improvement programmes to continually enhance its long-term yields and extraction rates.

Prospects

The Group remains optimistic about the sustainability of its strong growth momentum. The young profile of the Group’s plantation indicates that further production growth is expected as the trees mature into their peak production age. In addition, the Group believes that the generally tight global supply and demand conditions will support CPO prices.

Concluded Mr Fangiono, “We remain steadfast in our focus on the upstream and most profitable segment of the palm oil value-chain – owning and operating the palm oil plantation assets. As such, we believe that we are well positioned to benefit from the positive fundamentals of the palm oil industry.”

About First Resources

First Resources is one of the leading oil palm plantation companies and producers of crude palm oil (“CPO”) in Indonesia. Established in 1992, the Group is primarily involved in the cultivation of oil palms, harvesting of fresh fruit bunches from the trees and processing those fruits into CPO and palm kernel.

The Group’s oil palm plantations have grown significantly since it began its operations in 1992. Today, the Group manages more than 87,000 hectares of palm oil plantations and seven palm oil mills, all of which are strategically located in the Riau province, Sumatra, Indonesia.

As at 31 March 2008, approximately 72% of the Group’s 87,059 hectares of palm oil plantations are mature and yielding. The average age of the Group’s oil palm trees was 8.2 years and only approximately 61% of the Group’s oil palm trees had reached peak production age.

The Group’s seven palm oil mills have a total annual processing capacity of 2.34 million tons of fresh fruit bunches. The Group’s CPO production increased from 83,888 tons in 2001 to 278,340 tons in 2007.

First Resources was listed on the Main Board of the SGX-ST on 10 December 2007.

ISSUED ON BEHALF OF : First Resources Limited
BY : Citigate Dewe Rogerson, i.MAGE Pte Ltd
1 Raffles Place
#26-02 OUB Centre
SINGAPORE 048616

For First Resources

CONTACT : Ms Serene Lim
DURING OFFICE HOURS : 6333-6788 (Office)
EMAIL : serene.lim@first-resources.com

For CDRi.MAGE

CONTACT : Ms Dolores Phua / Ms Karin Xiao
DURING OFFICE HOURS : 6534-5122 (Office)
AFTER OFFICE HOURS : 9750-8237 / 9827-5226 (Handphone)
EMAIL : dolores.phua@citigatedrimage.com
karin.xiao@citigatedrimage.com

14 May 2008

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.