



Unaudited Financial Statements for the Third Quarter Ended 30 September 2009

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		
	30.09.2009	30.09.2008 (Restated)	Change	30.09.2009	30.09.2008 (Restated)	Change
	Rp.'million	Rp.'million	(%)	Rp.'million	Rp.'million	(%)
Sales	1,626,462	2,090,383	(22.2%)	629,660	636,473	(1.1%)
Cost of sales	(686,022)	(650,464)	5.5%	(219,638)	(206,512)	6.4%
Gross profit	940,440	1,439,919	(34.7%)	410,022	429,961	(4.6%)
Selling and distribution costs	(23,950)	(147,342)	(83.7%)	(5,650)	(41,159)	(86.3%)
General and administrative expenses	(83,847)	(83,885)	(0.0%)	(34,017)	(28,122)	21.0%
Other operating income	(6,255)	(4,542)	37.7%	(2,736)	(2,813)	(2.7%)
Profit from operations	826,388	1,204,150	(31.4%)	367,619	357,867	2.7%
Translation gains/(losses) on foreign denominated borrowings	178,676	4,651	3,741.7%	90,070	(15,428)	n.m.
(Losses)/gains on foreign exchange, net	(77,252)	5,795	n.m.	(34,492)	13,505	n.m.
Other non-operating income	6,868	7,325	(6.2%)	6,646	3,299	101.5%
Gains/(losses) on cross currency swap	150,884	(47,312)	n.m.	43,513	(29,340)	n.m.
Mark-to-market losses on embedded derivative of convertible bond	(8,231)	-	n.a.	(8,231)	-	n.a.
Net financial expenses	(148,148)	(91,336)	62.2%	(57,080)	(30,568)	86.7%
Profit before taxation	929,185	1,083,273	(14.2%)	408,045	299,335	36.3%
Tax expense	(261,310)	(347,224)	(24.7%)	(129,757)	(105,574)	22.9%
Profit for the period	667,875	736,049	(9.3%)	278,288	193,761	43.6%
Attributable to :						
Owners of the parent	633,481	703,092	(9.9%)	262,415	189,279	38.6%
Minority interests	34,394	32,957	4.4%	15,873	4,482	254.1%
	667,875	736,049	(9.3%)	278,288	193,761	43.6%

n.m. – not meaningful

n.a. – not applicable

Statement of comprehensive income

	Group					
	Nine months ended			Three months ended		
	30.09.2009	30.09.2008	Change	30.09.2009	30.09.2008	Change
	Rp.'million	Rp.'million	(%)	Rp.'million	Rp.'million	(%)
Profit for the period	667,875	736,049	(9.3%)	278,288	193,761	43.6%
Other comprehensive income						
Foreign currency translation adjustments	(29,551)	6,195	n.m.	(5,486)	5,083	n.m.
Net gain on fair value changes of cash flow hedge	-	(47,808)	(100.0%)	-	(47,808)	(100.0%)
Income tax relating to other comprehensive income	-	-	n.a.	-	-	n.a.
Total comprehensive income for the period	638,324	694,436	(8.1%)	272,802	151,036	80.6%
Attributable to :						
Owners of the parent	603,930	661,479	(8.7%)	256,929	146,554	75.3%
Minority interests	34,394	32,957	4.4%	15,873	4,482	254.1%
	638,324	694,436	(8.1%)	272,802	151,036	80.6%

n.m. – not meaningful

n.a. – not applicable

(A) Earnings before tax, minority interests, net financial expenses, depreciation and amortisation, net gain from changes in fair value of biological assets, share of results of associated companies and (gains)/ losses on foreign exchange (“EBITDA”)

	Group					
	Nine months ended			Three months ended		
	30.09.2009	30.09.2008 (Restated)	Change	30.09.2009	30.09.2008 (Restated)	Change
	Rp.'million	Rp.'million	(%)	Rp.'million	Rp.'million	(%)
Profit from operations	826,388	1,204,150	(31.4%)	367,619	357,867	2.7%
Depreciation and amortisation	79,852	59,203	34.9%	27,822	20,258	37.3%
EBITDA	906,240	1,263,353	(28.3%)	395,441	378,125	4.6%
EBITDA margin	55.7%	60.4%		62.8%	59.4%	

(B) Explanatory notes to Group's income statement

	Group			
	Nine months ended		Three months ended	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<u>Included in Profit from Operations:</u>				
Depreciation of property, plant and equipment	66,588	62,187	24,322	21,372
<u>Breakdown of Net financial expenses:</u>				
Interest expense on notes payable	134,331	130,447	41,570	43,406
Amortisation of deferred notes issuance costs	5,185	1,915	428	503
Gross expenses on notes payable	139,516	132,362	41,998	43,909
Interest expense on bonds payable	43,125	43,125	14,375	14,375
Amortisation of deferred bonds issuance costs	1,464	789	401	278
Gross expenses on bonds payable	44,589	43,914	14,776	14,653
Interest expense on convertible bonds payable	2,565	-	2,565	-
Accretion of interest	1,279	-	1,279	-
Amortisation of deferred convertible bonds issuance costs	109	-	109	-
Gross expenses on convertible bonds payable	3,953	-	3,953	-
Other interest expenses	5,491	6,768	3,723	9,834
Total	193,549	183,044	64,450	68,396
Capitalised to immature plantation and property, plant and equipment	(40,521)	(62,439)	(5,774)	(23,942)
Expensed to income statement	153,028	120,605	58,676	44,454
Interest income from bank deposits	(4,880)	(30,853)	(1,596)	(13,886)
Loss on bond redemption	-	1,584	-	-
Net financial expenses	148,148	91,336	57,080	30,568

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	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
ASSETS				
Non-current assets				
Biological assets – plantations	4,367,631	4,025,157	-	-
Plasma plantation receivables	147,693	121,202	-	-
Property, plant and equipment	1,724,221	1,504,167	3,105	3,597
Land use rights	180,245	186,754	-	-
Investment in subsidiaries	-	-	2,063,957	2,063,957
Goodwill	66,424	66,424	-	-
Other intangible assets	295,396	287,325	-	-
Tax recoverable	2,885	3,529	-	-
Deferred tax assets	1,616	65,618	93	103
Other non-current assets	1,116	322	5,090	-
Total non-current assets	6,787,227	6,260,498	2,072,245	2,067,657
Current assets				
Inventories	147,287	195,040	-	-
Trade receivables	2,375	47,226	-	-
Other receivables	51,565	57,419	20,400	21,945
Advances and prepayments	38,665	58,332	157	133
Advance for purchase of fixed assets	55,932	69,051	-	-
Prepaid taxes	63,561	35,552	-	-
Advance subscription for shares in subsidiary	-	-	257,917	79,924
Due from subsidiary	-	-	3,217	-
Cash and bank balances	1,837,085	1,092,139	1,030,481	282,655
Total current assets	2,196,470	1,554,759	1,312,172	384,657
Total assets	8,983,697	7,815,257	3,384,417	2,452,314

1(b)(i) Balance Sheet (continued)

	Group		Company	
	As at		As at	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
EQUITY AND LIABILITIES				
Current liabilities				
Trade payables	178,084	85,298	-	-
Other payables and accruals	166,601	129,021	15,735	6,557
Due to related parties	165	1,308	-	-
Advances from customers	33,475	88,039	-	-
Loans and borrowings from financial institutions	100,470	12,971	116	136
Provision for taxation	87,910	249,099	1,879	5,125
Total current liabilities	566,705	565,736	17,730	11,818
Non-current liabilities				
Loans and borrowings from financial institutions	14,044	6,108	495	601
Notes payable	1,329,502	1,502,776	-	-
Bonds payable	495,149	493,685	-	-
Convertible bonds payable	561,243	-	561,243	-
Derivative financial liability from cross currency swap	57,970	196,912	-	-
Derivative financial liability from convertible bond	387,623	-	387,623	-
Provision for post employment benefits	36,609	33,744	-	-
Deferred tax liabilities	669,212	685,404	-	-
Other non-current liabilities	-	-	4,847	-
Total non-current liabilities	3,551,352	2,918,629	954,208	601
Total liabilities	4,118,057	3,484,365	971,938	12,419
Net assets	4,865,640	4,330,892	2,412,479	2,439,895
Equity attributable to owners of the parent				
Share capital	2,350,605	2,350,605	2,350,605	2,350,605
Treasury shares	(63,517)	(63,517)	(63,517)	(63,517)
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	97,305	126,856	105,521	128,000
Retained earnings	2,237,737	1,705,510	19,870	24,807
	4,665,049	4,162,373	2,412,479	2,439,895
Minority interests	200,591	168,519	-	-
Total equity	4,865,640	4,330,892	2,412,479	2,439,895

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

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

	Group					
	As at 30.09.2009			As at 31.12.2008		
	Rp.'million			Rp.'million		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	-	100,470	100,470	-	12,971	12,971
Amount repayable after one year	1,824,651	962,910	2,787,561	1,996,461	6,108	2,002,569
Total	1,824,651	1,063,380	2,888,031	1,996,461	19,079	2,015,540

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 constructed by a subsidiary - PT Ciliandra Perkasa ("PT CLP");
- (iv) a security interest in all moveable assets of PT CLP and certain subsidiaries (collectively the "Guarantors"), whether located in Republic of Indonesia or Singapore, including cash accounts, but excluding accounts receivable and inventories;
- (v) a pledge by a subsidiary 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 the Guarantors holding the shares of another subsidiary of all such shares held.

(2) Bonds payable are secured by :

- (i) biological assets, land use rights and property, plant and equipment belonging to a subsidiary PT Meridan Sejatisurya Plantation amounting to Rp500,000 million.

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	
	30.09.2009	30.09.2008 (Restated)	30.09.2009	30.09.2008 (Restated)
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
Cash flows from operating activities				
Cash receipt from customers (Note A)	1,616,749	2,155,420	694,071	722,666
Cash payments to suppliers and employees	(718,900)	(991,713)	(196,526)	(331,039)
Effects of exchange rates	(78,747)	6,119	(59,326)	5,155
Cash generated from operations	819,102	1,169,826	438,219	396,782
Receipts from :				
Interest income	4,940	23,422	1,654	6,575
Income tax refunds	638	6,860	455	-
Payments for :				
Interest expenses	(139,839)	(132,643)	(16,228)	(13,827)
Income tax	(389,268)	(281,366)	(125,486)	(61,420)
Income tax penalties	-	(1,190)	-	-
Net cash generated from operating activities	295,573	784,909	298,614	328,110
Cash flows from investing activities				
Acquisition of property, plant and equipment	(304,714)	(604,100)	(92,041)	(260,070)
Payment for development of oil palm plantations	(214,582)	(79,261)	(85,404)	(32,286)
Payment for development of plasma plantations-net	(26,491)	(18,901)	(11,136)	(5,782)
Acquisition of intangible assets	(1,914)	-	(620)	-
Acquisition of subsidiary	-	(43,686)	-	(43,686)
Loan to third party	-	(29,555)	-	(29,555)
Increase in deferred charges	(90)	(6,720)	(71)	(6,591)
Net cash used in investing activities	(547,791)	(782,223)	(189,272)	(377,970)

1(c) Cash flow statement (continued)

	Group			
	Nine months ended		Three months ended	
	30.09.2009	30.09.2008 (Restated)	30.09.2009	30.09.2008 (Restated)
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
Cash flows from financing activities				
Net cash proceeds from cross currency swap transactions	11,045	15,265	4,279	5,072
Release of restricted funds	-	150,000	-	-
Buy-back of ordinary shares	-	(63,316)	-	(63,316)
Proceeds from short-term loan	99,399	-	22,846	-
Proceeds from convertible bond, net	997,379	-	997,379	-
Redemption of notes payable	-	(46,170)	-	-
Dividends paid	(106,879)	(140,705)	(106,879)	(140,705)
Payment of obligations under capital leases	(4,675)	(4,609)	(1,593)	(1,110)
Payment of consumer financing loans	(12,725)	(9,828)	(8,490)	(2,234)
Margin call deposit	-	(33,950)	-	(33,950)
Receipts / (payments) from related parties	13,620	(721)	7,243	346
Net cash generated from / (used in) financing activities	997,164	(134,034)	914,785	(235,897)
Net increase / (decrease) in cash and cash equivalents	744,946	(131,348)	1,024,127	(285,757)
Cash and cash equivalents, at the beginning of the financial period	1,092,139	1,408,077	812,958	1,562,486
Cash and cash equivalents, at the end of the financial period	1,837,085	1,276,729	1,837,085	1,276,729
<u>Note A</u>				
Cash receipts from customers are as follows:				
Sales	1,626,462	2,090,383	629,660	636,473
Decrease in trade receivables	44,851	2,101	79,135	60,201
(Decrease) / increase in advance from customers	(54,564)	62,936	(14,724)	25,992
Cash receipts from customers	1,616,749	2,155,420	694,071	722,666

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) 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 owners of the Parent-----										Total equity
	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	Total share capital and reserves	Minority interests	
	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	
At 1 January 2009	2,350,605	(63,517)	314,410	(274,056)	2,565	126,856	-	1,705,510	4,162,373	168,519	4,330,892
Share application monies	-	-	-	-	-	-	-	-	-	3,303	3,303
Dividend paid	-	-	-	-	-	-	-	(101,254)	(101,254)	(5,625)	(106,879)
Total comprehensive income for the period	-	-	-	-	-	(29,551)	-	633,481	603,930	34,394	638,324
At 30 September 2009	2,350,605	(63,517)	314,410	(274,056)	2,565	97,305	-	2,237,737	4,665,049	200,591	4,865,640
At 1 January 2008	2,350,605	-	314,410	(274,056)	2,565	65,066	-	747,254	3,205,844	100,798	3,306,642
Buy-back of ordinary shares during the financial period	-	(63,316)	-	-	-	-	-	-	(63,316)	-	(63,316)
Dividend paid	-	-	-	-	-	-	-	(133,512)	(133,512)	(7,193)	(140,705)
Total comprehensive income for the period (Restated)	-	-	-	-	-	6,195	(47,808)	703,092	661,479	32,957	694,436
At 30 September 2008	2,350,605	(63,316)	314,410	(274,056)	2,565	71,261	(47,808)	1,316,834	3,670,495	126,562	3,797,057

(d) (i) Statement of changes in equity (cont'd)

Group	----- Attributable to owners 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	Total share capital and reserves	Minority interests	
Items	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million
At 1 July 2009	2,350,605	(63,517)	314,410	(274,056)	2,565	102,791	-	2,076,576	4,509,374	187,043	4,696,417
Share application monies	-	-	-	-	-	-	-	-	-	3,300	3,300
Dividend paid	-	-	-	-	-	-	-	(101,254)	(101,254)	(5,625)	(106,879)
Total comprehensive income for the period	-	-	-	-	-	(5,486)	-	262,415	256,929	15,873	272,802
At 30 September 2009	2,350,605	(63,517)	314,410	(274,056)	2,565	97,305		2,237,737	4,665,049	200,591	4,865,640
At 1 July 2008	2,350,605	-	314,410	(274,056)	2,565	66,177	-	1,261,067	3,720,768	129,274	3,850,042
Buy-back of ordinary shares during the financial period	-	(63,316)	-	-	-	-	-	-	(63,316)	-	(63,316)
Dividend paid	-	-	-	-	-	-	-	(133,512)	(133,512)	(7,193)	(140,705)
Total comprehensive income for the period (Restated)	-	-	-	-	-	5,083	(47,808)	189,279	146,554	4,482	151,036
At 30 September 2008	2,350,605	(63,316)	314,410	(274,056)	2,565	71,260	(47,808)	1,316,834	3,670,494	126,563	3,797,057

(d) (i) Statement of changes in equity (cont'd)

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
At 1 January 2009	2,350,605	(63,517)	128,000	24,807	2,439,895
Dividend paid	-	-	-	(101,254)	(101,254)
Total comprehensive income for the period	-	-	(22,479)	96,317	73,838
At 30 September 2009	2,350,605	(63,517)	105,521	19,870	2,412,479
At 1 January 2008	2,350,605	-	65,066	(3,922)	2,411,749
Dividend paid	-	-	-	(133,512)	(133,512)
Buy-back of ordinary shares	-	(63,316)	-	-	(63,316)
Total comprehensive income for the period	-	-	6,195	149,914	156,109
At 30 September 2008	2,350,605	(63,316)	71,261	12,480	2,371,030
At 1 July 2009	2,350,605	(63,517)	107,997	32,309	2,427,394
Dividend paid	-	-	-	(101,254)	(101,254)
Total comprehensive income for the period	-	-	(2,476)	88,815	86,339
At 30 September 2009	2,350,605	(63,517)	105,521	19,870	2,412,479
At 1 July 2008	2,350,605	-	66,177	(2,278)	2,414,504
Dividend paid	-	-	-	(133,512)	(133,512)
Buy-back of ordinary shares	-	(63,316)	-	-	(63,316)
Total comprehensive income for the period	-	-	5,084	148,270	153,354
At 30 September 2008	2,350,605	(63,316)	71,261	12,480	2,371,030

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

There were no changes to the company's share capital in the three months ended 30 September 2009.

	Company	
	As at	
	30.09.2009	30.09.2008
Number of shares held as treasury shares	15,000,000	14,898,000
Number of issued shares excluding treasury shares	1,453,459,221	1,453,561,221
Total number of issued shares	1,468,459,221	1,468,459,221

From July to October 2008, the Company purchased an aggregate of 15,000,000 ordinary shares from the public, and held them as treasury shares.

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	
	30.09.2009	31.12.2008
Number of issued shares excluding treasury shares	1,453,459,221	1,453,459,221

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.

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 2008 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 2009. The adoption of these FRS and INT FRS has no significant impact to the Group except for FRS 1, Presentation of Financial Statements, which introduces the concept of statement of comprehensive income. The statement of comprehensive income presents non-owner changes in equity separately from transactions with owners, which are presented in the statement in changes of equity.

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

In order to minimise volatility in the fair value adjustments during the interim periods and to better reflect the Group's intention to hold its plantations for long-term purposes, the Group has adopted the practice of determining the fair value of its biological assets on an annual basis, instead of semi-annual basis.

Accordingly, the comparative figures for 9 months ended 30 September 2008 have been restated to conform to the current period's practice and presentation.

Consolidated Income Statement	Group	
	Nine months ended	
	30.09.2008	
	Restated	Previously Reported
	Rp.'million	Rp.'million
Net gain from changes in fair value of biological assets	-	298,959
Profit from operations	1,204,150	1,518,622
Profit before taxation	1,083,273	1,382,232
Tax expense	347,224	436,911
Profit for the period	736,049	945,321

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 parent by the weighted average number of ordinary shares 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 2008 and 30 September 2009.

Items	Group			
	Nine months ended		Three months ended	
	30.09.2009	30.09.2008 (Restated)	30.09.2009	30.09.2008 (Restated)
Earnings per ordinary share for the period (in Rupiah) :				
(i) Basic	436	479	181	129
(ii) Fully diluted	436	479	181	129
Weighted average number of shares applicable to basic and fully diluted earnings per share	1,453,459,221	1,466,328,346	1,453,459,221	1,462,136,080

For the period ended 30 September 2009, the weighted average number of shares used to compute the earnings per share excludes the number of treasury shares held during the period.

7. **Net Asset Value Per Ordinary Share (NAV) (for the issuer and group) per ordinary share based on 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 30.09.2009	As at 31.12.2008	As at 30.09.2009	As at 31.12.2008
	Rp.	Rp.	Rp.	Rp.
Net asset value per ordinary share based on existing issued share capital as at the end of the latest period presented (excluding treasury shares)	3,210	2,864	1,660	1,679

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:
- 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
 - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

REVIEW OF INCOME STATEMENT

Sales

Sales decreased by 1.1% from Rp636.5 billion in 3Q2008 to Rp629.7 billion in 3Q2009. This, combined with sales derived in 1H2009, brought 9M2009 sales to Rp1,626.5 billion, a decrease of 22.2% over 9M2008. Although the sales volume of CPO has increased in line with higher production volumes, this increase was insufficient to offset the decline in average selling prices for both crude palm oil ("CPO") and palm kernel ("PK"), leading to the slight decrease in overall sales.

The following tables provide breakdowns of our sales, sales volume and average selling prices:

Sales	9M2009	9M2008	Change	3Q2009	3Q2008	Change
	Rp.'million	Rp.'million	%	Rp.'million	Rp.'million	%
Crude Palm Oil	1,454,547	1,827,830	(20.4%)	571,742	563,228	1.5%
Palm Kernel	171,915	261,235	(34.2%)	57,918	71,926	(19.5%)
Others	-	1,318	(100%)	-	1,319	(100%)
Total Sales	1,626,462	2,090,383	(22.2%)	629,660	636,473	(1.1%)

Sales Volume	9M2009	9M2008	Change	3Q2009	3Q2008	Change
	Ton	Ton	%	Ton	Ton	%
Crude Palm Oil	264,742	240,053	10.3%	92,687	80,153	15.6%
Palm Kernel	59,767	58,775	1.7%	20,722	19,434	6.6%

Average Price/kg	9M2009	9M2008	Change	3Q2009	3Q2008	Change
	Rp.	Rp.	%	Rp.	Rp.	%
Crude Palm Oil	5,494	7,614	(27.8%)	6,169	7,027	(12.2%)
Palm Kernel	2,876	4,445	(35.3%)	2,795	3,701	(24.5%)

Cost of Sales

Cost of sales comprises mainly harvesting costs, plantation maintenance costs, FFB purchases from plasma farmers, plantation general expenses and mill processing costs. Cost of sales increased by 6.4% from Rp206.5 billion in 3Q2008 to Rp219.6 billion in 3Q2009. These were due to increases in maintenance cost (due to larger mature hectareage), harvesting costs (due to larger production volume and increase in minimum wage rate) and a higher drawdown of CPO inventory, partially offset by decreases in processing costs and in the value of FFB purchases from plasma farmers. For 9M2009, cost of sales was Rp686.0 billion, a 5.5% increase over 9M2008.

Gross Profit

Gross profit decreased by 4.6% from Rp430.0 billion in 3Q2008 to Rp410.0 billion in 3Q2009. However, gross margin improved from 67.6% in 3Q2008 to 65.1% in 3Q2009. For 9M2009, gross profit decreased by 34.7% to Rp940.4 billion and gross margin decreased to 57.8%.

8. Review of Group Performance (continued)

Selling and distribution costs

Selling expenses, comprising mainly transportation expenses and export taxes, decreased by 86.3% from Rp41.2 billion in 3Q2008 to Rp5.7 billion in 3Q2009. This significant decrease was due to lower export taxes incurred as a result of a decrease in Indonesia's export taxes levied on CPO in this period, mainly due to lower average CPO price. For 9M2009, selling and distribution costs amounted to Rp24.0 billion, a decrease of 83.7% over 9M2008.

General and administrative expenses

General and administrative expenses, comprising professional fees, remuneration of office staff, licences and software fees, increased by 21.0% from Rp28.1 billion in 3Q2008 to Rp34.0 billion in 3Q2009, mainly due to increase in staff remuneration incurred in this period. This brought 9M2009 general and administrative expenses to Rp83.8 billion, approximately the same as in 9M2008.

Gains on Foreign Exchange

We recorded a loss of Rp34.5 billion on foreign exchange in 3Q2009, compared to a gain of Rp13.5 billion in 3Q2008. These exchange differences arose mainly from sales which are almost entirely denominated in USD, against smaller proportion of cost of sales which are denominated in USD.

The exchange loss recorded in 3Q2009 was primarily due to weakening of USD against IDR from Rp10,225/US\$ in 30 June 2009 to Rp9,681/US\$ in 30 September 2009. The gain recorded in 3Q2008 was primarily due to strengthening of USD against IDR from Rp9,225/US\$ in 30 June 2008 to Rp9,555/US\$ in 30 September 2008.

For 9M2009, we had a cumulative loss on foreign exchange of Rp77.3 billion compared to a cumulative gain of Rp5.8 billion in 9M2008.

Net Financial Expenses

Net financial expenses comprise interest expenses including amortization of issuance costs after deducting interest income. Part of the interests payments on our debt instruments and the amortisation of issuance costs are capitalised to our immature plantations and property, plant and equipment. Interest expense recognised in the income statement represents the components of these that are not capitalised.

There was a net financial expense of Rp57.1 billion in 3Q2009, an increase of 86.7% from Rp30.6 billion in 3Q2008. The significant increase in net financial expense in 3Q2009 was due to lower interest income recognised in 3Q2009 compared to 3Q2008 due mainly to a decrease in the market interest rates for time deposits and a decrease in the proportion of interest expense capitalised to biological assets and property, plant and equipment. For 9M2008, we had a net financial expenses of Rp148.1 billion a 62.2% increase over 9M2008.

Mark-to-Market Gains / (Losses) on Cross Currency Swap

We have entered into a cross currency swap to convert our 11.50% Rp500 billion bond (issued in November 2007) into a 7.40% US\$53.4 million liability. Changes in the mark-to-market position as at the end of every balance sheet date will be booked in the income statement.

In 3Q2009, there was a gain of Rp43.5 billion due to improvements in the mark-to-market position of the swap. However, there was a mark-to-market loss of Rp29.3 billion in 3Q2008. There was a mark-to-market gain of Rp150.9 billion in 9M2009 versus a mark-to market loss of Rp47.3 billion in 9M2008.

8. Review of Group Performance (continued)

Mark-to-Market Gains / (Losses) on Convertible Bonds

We have issued convertible bonds in September 2009, raising gross proceeds of US\$100 million. The convertible bonds have two components, an embedded derivative and a residual amount booked in as convertible bond payable. Changes in the mark-to-market position as at the end of every balance sheet date of the embedded derivative will be booked in the income statement while the issuance costs relating to the convertible bond payable will be amortised over the period of the expected maturity of five years. In addition, the interest on the discount will accrete such that the value of the bond at the end of the five years will be at the redemption price of 104.34%.

In 3Q2009 and 9M2009, there was a mark-to-market loss of Rp8.2 billion from the embedded derivative of the convertible bond as compared to issuance date.

Tax Expense

Tax expense increased by 22.9% from Rp105.6 billion in 3Q2008 to Rp129.8 billion in 3Q2009. This increase was mainly due to higher taxable profit. For 9M2009, tax expense decreased by 24.7% from Rp347.2 billion in 9M2008 to Rp261.3 billion due to lower taxable profit.

Profit for the Period

As a result of the foregoing, profit for the period increased by 43.6% from Rp193.8 billion in 3Q2008 to Rp278.3 billion in 3Q2009. For 9M2009, profit decreased by 9.3% from Rp736.0 billion in 9M2008 to Rp667.9 billion in 9M2009.

REVIEW OF BALANCE SHEET

Total assets of the Group increased slightly from Rp7,815.3 billion as at 31 December 2008 to Rp8,983.7 billion as at 30 September 2009. Current assets increased by Rp641.7 billion as a result of a bigger cash balance partially offset by a decline in trade receivables and inventory. Non-current assets increased by Rp526.7 billion mainly from increased values of biological assets and of property, plant and equipment due to continued investments by the Group in productive assets.

Total liabilities of the Group increased by 18.2% from Rp3,484.4 billion as at 31 December 2008 to Rp4,118.1 billion as at 30 September 2009. This increase is mainly due to increase in convertible bond payable as a result of the issuance of convertible bonds in September 2009. This is partially offset by the decrease in the derivative financial liability from the cross currency swap due to mark-to-market gains achieved in 2009.

Our total equity increased to Rp4,865.6 billion as at 30 September 2009 from Rp4,330.9 billion due to the Group's positive performance in 9M2009.

8. Review of Group Performance (continued)

REVIEW OF CASH FLOW STATEMENT

In 3Q2009, there was net cash generated from operating activities of Rp298.6 billion, a decrease from net cash generated of Rp.328.1 billion in 3Q2008. This decrease was due to higher taxes paid which was partially offset by higher cash generated from operations. For 9M2009, net cash generated from operating activities was Rp295.6 billion, as compared to net cash generated of Rp784.9 billion in 9M2008.

Net cash used in investing activities decreased by 49.9%, from Rp378.0 billion in 3Q2008 to Rp189.3 billion in 3Q2009. This is mainly due to a decrease in capital expenditure on property, plant and equipment, arising from the near-completion of our bio-diesel and refinery plants, and the acquisition of our new subsidiary group in West Kalimantan in September 2008. This was partially offset by increase in payments for development of oil palm plantations as the Group carried out new plantings in West Kalimantan. For 9M2009, net cash used in investing activities was Rp547.8 billion, a decrease of 30.0% over 9M2008.

For financing activities, the Group generated net cash flow amounting to Rp914.8 billion in 3Q2009, while it used up Rp235.9 billion in 3Q2008. This was mainly due to the issuance of convertible bonds in 3Q2009. The Group also purchased treasury shares amounting to Rp63.3 billion in 3Q2008 while there was none in 3Q2009. The amounts of dividends paid had also reduced from Rp140.7 billion in 3Q2008 to Rp106.9 billion in 3Q2009. For 9M2009, net cash generated from financing activities was Rp997.2 billion, compared to net cash used in financing activities of Rp134.0 billion in 9M2008.

As a result of the foregoing, the Group registered an overall increase in cash and cash equivalent of Rp1,024.1 billion in 3Q2009, bringing the Group' cash balance to Rp1,837.1 billion as at 30 September 2009.

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

Not applicable

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

The fundamentals of the palm oil industry have remained favourable. Despite seasonal peak-crop production, palm oil inventory levels remain at moderate levels due to continued good consumer demand from main consumer markets. Most of the Group's CPO production is currently being sold on a "spot-basis". Spot-prices are currently higher than our average selling prices in 9M2009. The Group's production volume increased in 3Q2009 in line with seasonal patterns in production, and this is expected to be sustained in 4Q2009. In addition, the Group has maintained strong cost management to keep its cash cost of production low. Barring any unforeseen circumstances, the Group believes that it should be able to deliver a strong operational performance for the remainder of 2009.

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/recommendeded, a statement to that effect

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

13. 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 directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements for the third quarter ended 30 September 2009 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Ming Seong
Chairman

Ciliandra Fangiono
Director and Chief Executive Officer

BY ORDER OF THE BOARD

Ciliandra Fangiono
Director and Chief Executive Officer
13 November 2009

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.