



First Resources Limited

Annual General Meeting 2009 FY2008 Review

27 April 2009





Agenda

Group Overview

FY2008 Review

Outlook and Strategy



Group Overview



Group Overview

Group started its plantation operations in 1992

Our Business Model – Upstream Focus on Plantation



■ Plantations

- 95,241 hectares of total planted area
- 66% of plantings are mature

■ Palm Oil Mills

- 7 palm oil mills
- Capacity of 390 tons/hour or 2.34 million tons of fresh fruit bunches (“FFB”)/year

■ Biodiesel Plant

- Capacity of 250,000 tons per year
- Expected commissioning in 2009

Our Key Strengths



■ Young Plantation Profile

- Weighted average age of plantings is ~ 7.5 years
- 56% of trees in prime production age, 34% of immature tree will start yielding in the next 3 years
- No trees classified as 'old' by industry standards

■ Productive & Cost-Efficient Operations

- High yields per hectare and high crude palm oil ("CPO") extraction rates despite the young plantation profile
- Production costs kept competitive through high operational efficiency

■ Focused Business Model

- Expertise and strong focus on the upstream segments of the palm oil value chain enable us to capture strong margins.

■ Availability of Landbank for Future Growth

- Sizeable amount of unplanted landbank located in Indonesia
- Enable us to pursue and execute plantation expansion plans



FY2008 Review





FY2008 Highlights

Financial

- **Sales** rose by 64.5% to Rp2,782.9 billion
- **Gross Profit** increased by 101.1% to Rp1,860.5 billion with gross margin of 66.9%
- **EBITDA** increased by 99.6% to Rp1,790.8 billion with EBITDA Margin of 64.3%
- **Net Asset Value per Share** increased from Rp2,206 to Rp2,864
- **Earnings per Share** increased from Rp404 to Rp746

Strategic

- **Plantation Expansion**
 - Added 8,887 hectares of new oil palms
 - Acquired landbank in West Kalimantan for future expansion
- **Efficiency Focus**
 - Improved CPO and FFB yields per hectare
 - Improved CPO & palm kernel ("PK") extraction rates
- **Cost Focus**
 - Maintained cost of production at relatively low level despite cost pressures
- **Seed Garden Development**
 - Began investment into seed garden project to secure quality seeds for the future



FY2008 Financial Performance

Rp' billion	FY2008	FY2007	Change
Sales	2,782.9	1,691.4	64.5%
Gross Profit	1,860.5	925.1	101.1%
Gains from Changes in Fair Value of Biological Assets	377.7	156.5	141.2%
EBITDA	1,790.8	897.3	99.6%
Profit for the Year	1,151.6	626.9	83.7%
Net Profit Attributable to Equity Holders	1,091.8	431.3	153.2%
Gross Margin	66.9%	54.7%	↑
EBITDA Margin	64.3%	53.1%	↑

- Higher production volumes and higher selling prices
- Low cost of production maintained



FY2008 Balance Sheet Highlights

Low gearing & healthy cash balance

Rp' billion	31 Dec 2008	31 Dec 2007	Change
Total Assets	7,815.3	6,249.7	25.1%
Cash and cash equivalents	1,092.1	1,557.5	(29.9)%
Total Liabilities	3,484.4	2,943.0	18.4%
Interest Bearing Debts ⁽¹⁾	2,015.5	1,973.3	2.1%
Total Equity Attributable to Equity Holders	4,162.4	3,205.8	29.8%
Net Debt ⁽²⁾ /Equity ⁽³⁾	0.22	0.13	↑
Net Debt ⁽²⁾ /EBITDA ⁽⁴⁾	0.52	0.46	↑
EBITDA ⁽⁴⁾ /Interest Expense ⁽⁵⁾	8.95	9.44	↓

(1) Sum of notes payable, bonds payable loans and borrowings from financial institutions

(2) Interest bearing debt less cash and cash equivalents

(3) Equity attributable to equity holders

(4) Profit from operations less gains from biological asset revaluation plus depreciation and amortisation

(5) Sum of interest expense (excluding capitalized interest) on notes, bonds and hire purchases



FY2008 Operational Performance

		FY2008	FY2007	Change
Production				
FFB Total	(ton)	1,403,794	1,266,762	10.8%
FFB Nucleus		1,243,747	1,131,179	10.0%
FFB Plasma		160,047	135,583	18.0%
CPO	(ton)	322,678	278,340	15.9%
PK	(ton)	76,332	63,470	20.3%
Efficiency				
FFB Yield	(ton/ha)	22.42	21.80	↑
CPO Extraction Rate	(%)	22.83	22.23	↑
PK Extraction Rate	(%)	5.40	5.07	↑
CPO Yield	(ton/ha)	5.12	4.85	↑

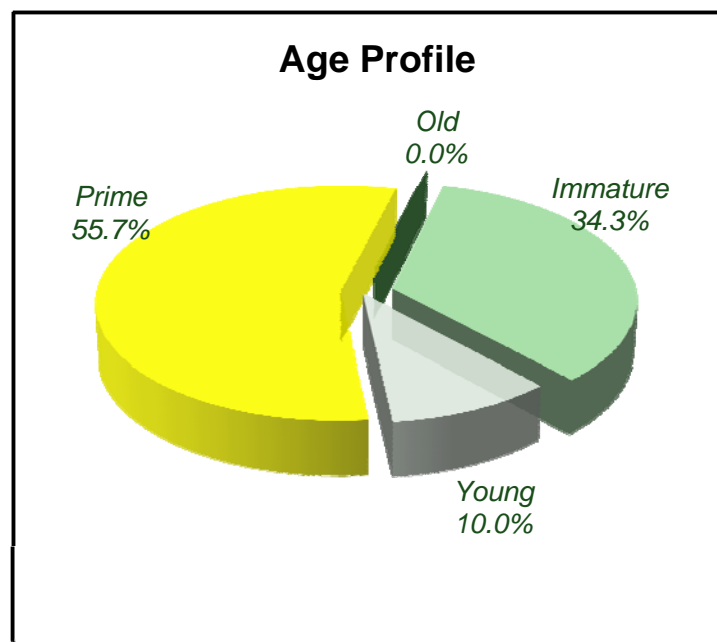
- Strong FFB and CPO production growth due to young & growing plantation maturity profile



Plantation Area & Maturity Profile

8,887 new hectares added in FY2008

Age	Area (ha)	% of Total
0-3 years (Immature)	32,625	34.3%
4-7 years (Young)	9,583	10.0%
8-17 years (Prime)	53,033	55.7%
≥18 years (Old)	-	0.0%
Total Planted Area	95,241	100.0%



Average plantation age of 7.5 years provides platform for further production growth



Outlook & Strategy





Outlook and Strategy

- **While CPO prices expected to be lower in 2009 versus 2008, 2009 average expected to be comfortably above cash cost of production**
 - Expect consumption-based demand for CPO to remain resilient
 - Low crude oil prices suggests insignificant contribution from biodiesel-based demand
 - Industry production growth expected to be muted vis-à-vis previous years
 - Weather shocks to continue to be important in determining pricing of vegetable oils complex
 - Input costs, most important of which being fertilizer prices, have started to come down

- **Strategy**
 - Continue to invest in organic growth; counter-cyclical investment strategy
 - Continue to focus on cost-efficiency measures and yield improvements
 - Exercise conservatism in management of cash liquidity



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