



# FIRST RESOURCES LIMITED



ONE SOURCE  
INFINITE POSSIBILITIES

## FY2007 Results Briefing 27 February 2008

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# Introduction

# Overview of First Resources



- First Resources Limited (“First Resources” or the “Company” was established in 2004
  - The larger group was established in 1992
- One of the leading oil palm plantation companies and producers of crude palm oil (“CPO”) in Indonesia
- Strategically located in Riau province, Sumatera
- Group currently owns and operates 13 oil palm plantations and 7 palm oil mills
- Strong focus on the plantation segment of the palm oil value chain



# Operating Profile



*We currently operate 13 plantations and 7 palm oil mills*

## Plantation Companies

Company	Mature	Immature (in hectares)	Total
PT Pancasurya Agrindo	9,120	2,491	11,611
PT Perdana Intisawit Perkasa	8,940	3,962	12,903
PT Subur Arummakmur	8,529	11,348	19,877
PT Meridan Sejatisurya Plantation	8,258	1,010	9,268
PT Arindo Trisejahtera	8,192	-	8,192
PT Ciliandra Perkasa	5,964	517	6,482
PT Muriniwood Indah Industry	4,888	2,072	6,958
PT Surya Intisari Raya	4,227	2,798	7,025
PT Bumi Sawit Perkasa	-	4,039	4,039
<b>Total</b>	<b>58,120</b>	<b>28,234</b>	<b>86,354</b>

## Palm Oil Mills

Name	Capacity
PISP	90 ton/ hour
CLP	60 ton/ hour
ATS	60 ton/ hour
MSSP	45 ton/ hour
PSA	45 ton/ hour
SAM	45 ton/ hour
MII	45 ton/ hour
<b>Total</b>	<b>390 ton/ hour</b>

Note: Data as of December 31, 2007



# Key Strengths



## ➤ **Pure plantation play**

- Focus on upstream segment of value chain
- Upstream operators are biggest beneficiaries of favorable CPO pricing trends

## ➤ **Attractive plantation maturity profile**

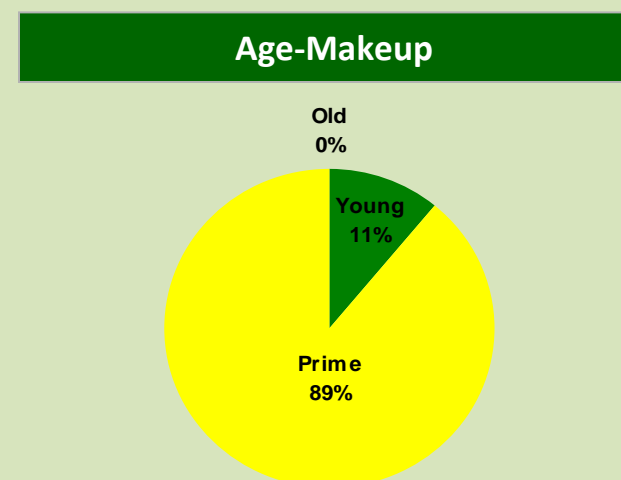
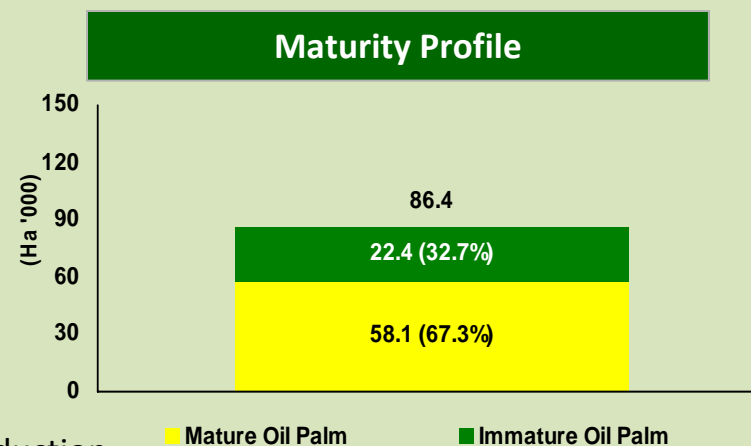
- Weighted average age of trees is 7.2 years
- Only 60% of trees have reached peak production age
- No trees classified as 'old' by industry standards
- Young maturity profile supports future growth in FFB production with minimal increases in costs or capital expenditure

## ➤ **Favourable location**

- Strategically located in Riau province
- Ideal conditions for oil palm cultivation
- Mill strategically located close to plantations, reduces transportation costs, ensures quality of FFB

## ➤ **Significant landbank**

- Sizeable unplanted landbank located in the Riau province
- Capacity to pursue aggressive future growth plans



# Financial Highlights



# FY2007 Financial Summary



<b>Rp' billion</b>	<b>FY2007</b>	<b>FY2006</b>	<b>Change (%)</b>
<b>Sales</b>	1,691.4	857.1	97.3
<b>Gross Profit</b>	925.1	369.8	150.1
<b>EBITDA</b>	855.7	392.2	118.2
<b><i>EBITDA Margin (%)</i></b>	<i>50.6</i>	<i>45.8</i>	<i>10.5</i>
<b>Net Profit attributable to equity holders</b>	431.3	243.9	76.9

# FY2007 Financial Highlights



**Record revenue of Rp 1,691.4 billion, up 97.3% from FY2006**

**Record net profit attributable to equity holders of Rp 431.3 billion, up 76.9% from FY2006**

**Strong growth in EBITDA margin from 45.8% FY2006 to 50.6% in FY2007**

**Strong FY2007 performance driven by record production volumes and surge in CPO prices**

# Sales



**Sales Grew by 97.3%**

**Mainly driven by higher production volumes and higher selling prices:**

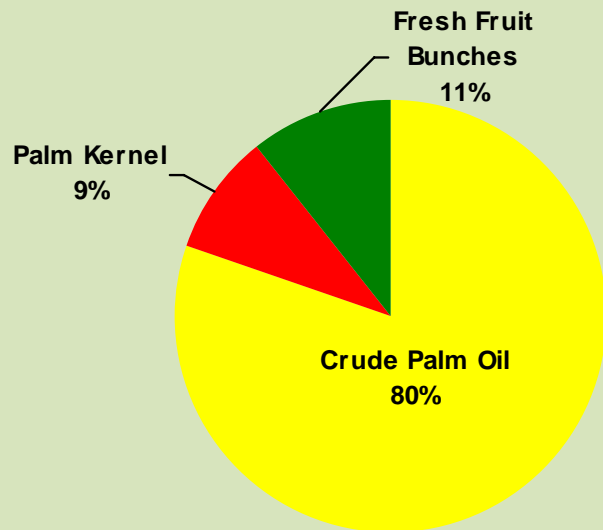
- Average CPO and PK selling price rose 59% and 65% respectively
- CPO and PK both achieved record production volumes of 278,240 tons and 63,470 tons respectively



# Sales by Products

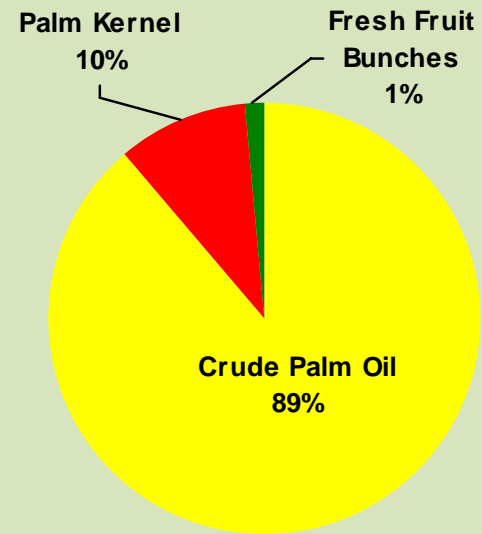


**FY2006**



	In Rp. Bn
CPO	688.2
PK	78.9
FFB	90.0
<b>Total</b>	<b>857.1</b>

**FY2007**



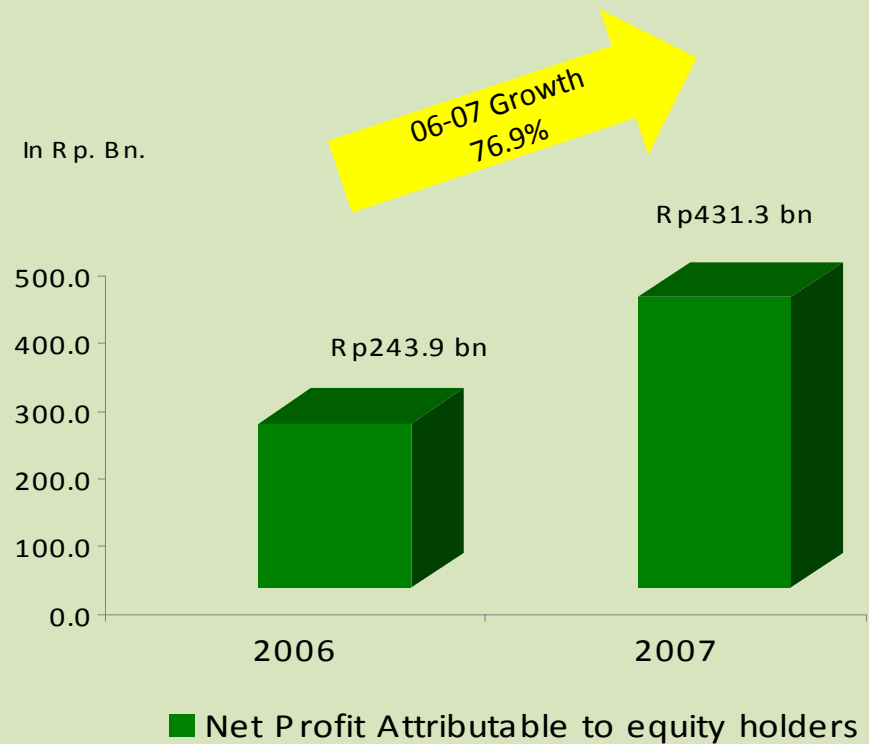
	In Rp. Bn
CPO	1,504.4
PK	165.6
FFB	21.4
<b>Total</b>	<b>1,691.4</b>

# Net Profit



## Net Profit Grew by 76.9%

- Gross profit grew by 150.1% to Rp 925.1 billion
- Net gain from changes in fair value of biological assets of Rp 156.5 billion



# Balance Sheet



Rp billion	As at Dec 31, 2007	As at Dec 31, 2006	Change (%)
<b>Total Assets</b>	6,248.9	3,804.9	64.2
<b>Cash and Bank Balances</b>	1,558.1	745.5	109.0
<b>Total Liabilities</b>	2,942.3	2,208.9	33.2
<b>Interest Bearing Debts</b>	1,973.3	1,484.1	33.0
<b>Total Equity attributable to equity holders</b>	3,205.8	971.3	230.1
<b>Net Debt /Equity Ratio</b>	0.13x	0.76x	
<b>Net Debt /EBITDA</b>	0.49x	1.88x	
<b>Gross Debt/EBITDA</b>	2.31x	3.78x	
<b>EBITDA / Net Interest Expense</b>	8.17x	3.45x	

# Operational Highlights



# Production Highlights



	FY2007	FY2006
<b>Production (tons)</b>		
<b>Fresh Fruit Bunches (FFB)</b>	1,266,762	1,120,765
<b>Crude Palm Oil (CPO)</b>	278,340	227,286
<b>Palm Kernel (PK)</b>	63,470	47,759
<b>FFB Yield / hectare (tons/ha)</b>	21.8	20.0
<b>Extraction Rates (%)</b>		
<b>CPO</b>	22.2	21.9
<b>PK</b>	5.07	4.59

# Plantation Statistics



Description	2007	2006
<b>Palm Planted Area (Ha)</b>		
<b>Nucleus</b>	<b>76,666</b>	<b>69,739</b>
Immature	25,824	20,582
Mature	50,842	49,157
<b>Plasma</b>	<b>9,688</b>	<b>8,966</b>
Immature	2,411	2,178
Mature	7,277	6,787
<b>Planted Area</b>		
Immature	28,235	22,760
Matue	58,119	55,944
<b>Total Planted Area</b>	<b>86,354</b>	<b>78,704</b>

# Business Strategy

# Business Strategy



## Plantations

- Continue expansion of plantation footprint through new plantings. Target additional plantings of 18,000 hectare in 2008
- Open to acquisition opportunities to accelerate plantation growth
- Continue to acquire new landbank to support aggressive planting plans

## Milling

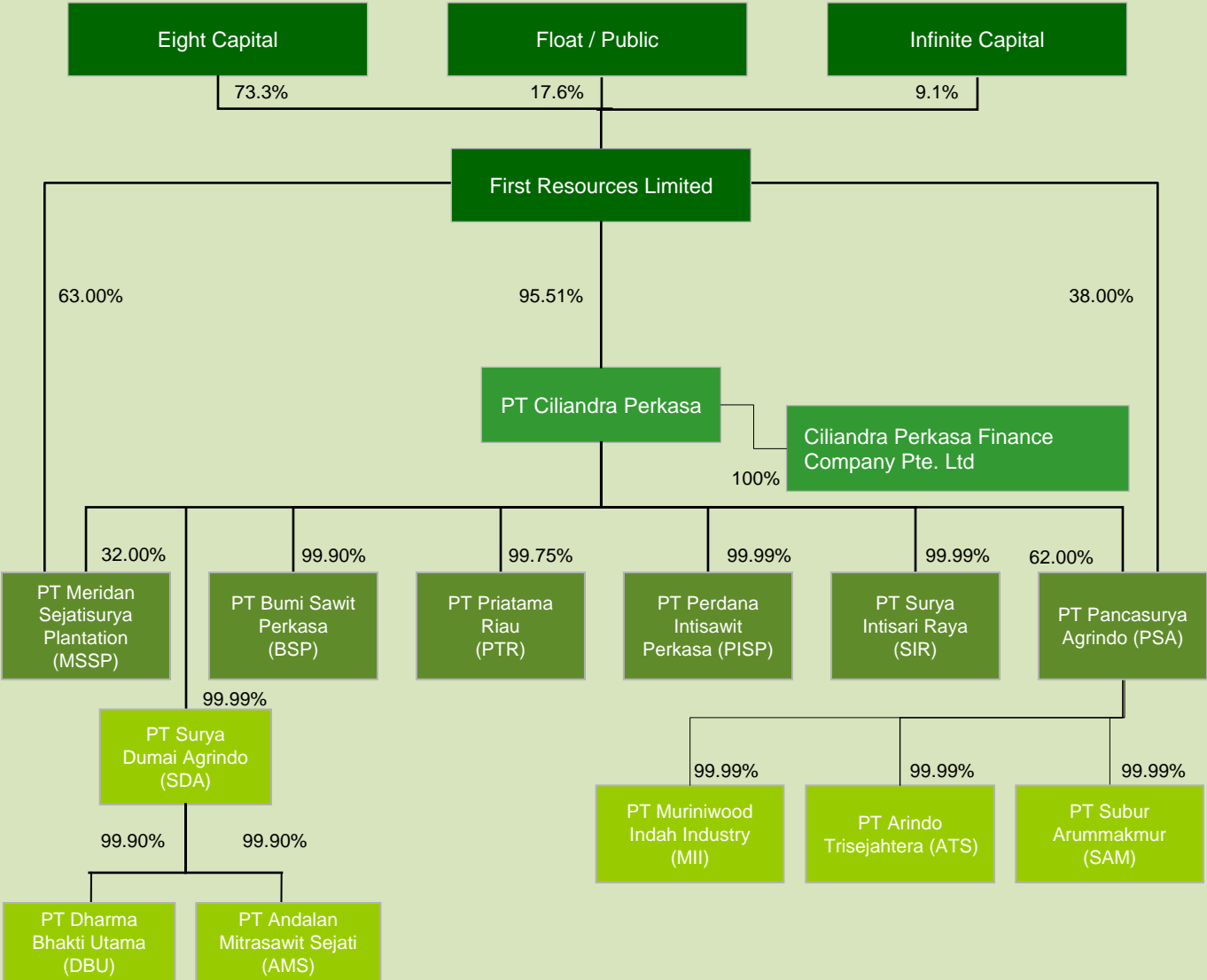
- Expand palm oil mill processing capacity in line with FFB production growth
- 1 new mill under construction. Target commissioning in 1Q2009
- New mill will bring aggregate milling capacity to 435MT/hr

## Downstream

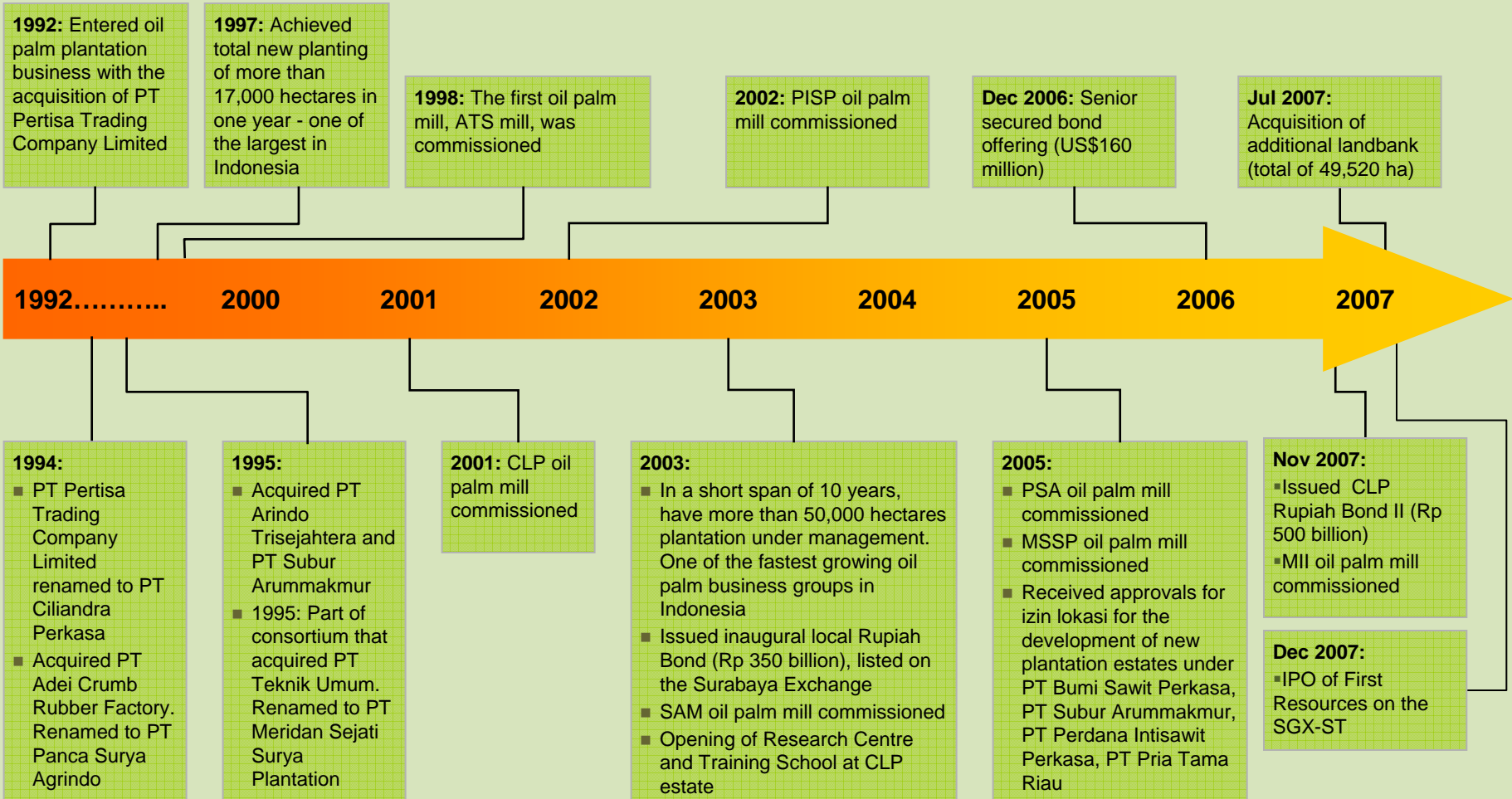
- Selective exploration into other downstream businesses that could add value to business model, either within or outside of Indonesia

# Appendices

# Ownership Structure



# Milestones





**THANK YOU**