



Unaudited Financial Statements for the Fourth Quarter and Full Year Ended 31 December 2008

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

	Group					
	Full Year ended			Three months ended		
	31.12.2008	31.12.2007	Change	31.12.2008	31.12.2007	Change
	Rp.'million	Rp.'million	(%)	Rp.'million	Rp.'million	(%)
Sales	2,782,948	1,691,368	64.5%	692,565	509,313	36.0%
Cost of sales	(922,452)	(766,244)	20.4%	(271,988)	(183,712)	48.1%
Gross profit	1,860,496	925,124	101.1%	420,577	325,601	29.2%
Gains/(losses) arising from changes in fair value of biological assets	377,654	156,544	141.2%	78,695	(48,080)	n.m
Other operating income	22,156	1,687	1,213.3%	19,374	3,786	411.7%
Selling and distribution costs	(166,155)	(39,371)	322.0%	(18,813)	(14,315)	31.4%
General and administrative expenses	(115,616)	(56,686)	104.0%	(31,731)	(18,063)	75.7%
Gains on foreign exchange	103,333	1,474	6,910.4%	97,537	3,999	2,339.0%
Profit from operations	2,081,868	988,772	110.6%	565,639	252,928	123.6%
Financial expenses	(553,713)	(138,962)	298.5%	(401,113)	(58,125)	590.1%
Financial income	93,881	4,786	1,861.6%	75,278	3,703	1,932.9%
Share of results of associate	-	36,083	(100.0%)	-	14,387	(100.0%)
Profit before taxation	1,622,036	890,679	82.1%	239,804	212,893	12.6%
Tax expense	(470,439)	(263,768)	78.4%	(52,576)	(63,200)	(16.8%)
Profit for the year / period	1,151,597	626,911	83.7%	187,228	149,693	25.1%
Attributable to :						
Equity holders of the parent	1,091,768	431,257	153.2%	177,312	120,193	47.5%
Minority interests	59,829	195,654	(69.4%)	9,916	29,500	(66.4%)
	1,151,597	626,911	83.7%	187,228	149,693	25.1 %

n.m. – not meaningful

Additional Information

(A) Earnings before tax, minority interests, net financial expenses, depreciation and amortization, net gain from changes in fair value of biological assets and share of results of associated companies (“EBITDA”)

	Group					
	Full year ended			Three months ended		
	31.12.2008	31.12.2007	Change	31.12.2008	31.12.2007	Change
	Rp.'million	Rp.'million	(%)	Rp.'million	Rp.'million	(%)
Profit from operations	2,081,868	988,772	110.6%	565,639	252,928	123.6%
Add: Depreciation and amortisation	86,541	65,059	33.0%	21,339	24,878	(14.2%)
Less: (Gains) / Losses from changes in fair value of biological assets	(377,654)	(156,544)	141.2%	(78,695)	48,080	n.m
EBITDA	1,790,755	897,287	99.6%	508,283	325,886	56.0%
EBITDA Margin	64.3%	53.1%		73.4%	64.0%	

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

	Group			
	Full year ended		Three months ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
<u>Included in Profit from Operations are:</u>				
Depreciation of property, plant and equipment	(74,626)	(57,211)	(14,277)	(17,265)
<u>Included in Financial Expenses are:</u>				
Interest expense on USD Notes	(142,158)	(97,757)	(74,459)	(29,482)
Interest expense on Rupiah bond	(57,841)	-	(15,964)	-
Foreign exchange translation losses from USD Notes	(186,401)	(29,427)	(190,179)	(21,410)
Mark-to market losses on cross currency swap	(164,903)	(3,747)	(117,592)	(3,747)
<u>Included in Financial Income are:</u>				
Gains from USD Notes redemption	68,982	-	68,982	-

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	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
ASSETS				
Non-current assets				
Biological assets - plantations	4,036,631	3,257,804	-	-
Plasma plantation receivables	121,202	97,065	-	-
Property, plant and equipment	1,504,166	981,365	3,597	967
Advance for purchase of fixed assets	69,051	-	-	-
Land use rights	173,154	78,275	-	-
Investment in subsidiaries	-	-	2,063,957	1,740,140
Intangible assets	284,964	1,910	-	-
Goodwill	66,424	-	-	-
Tax recoverable	3,529	7,334	-	-
Deferred tax assets	64,740	9,211	103	-
Other non-current assets	2,684	208	-	-
Total non-current assets	6,326,545	4,433,172	2,067,657	1,741,107
Current assets				
Inventories	195,040	150,936	-	-
Trade receivables	47,226	36,945	-	-
Other receivables	57,419	26,411	21,945	1,937
Advances and prepayments	58,332	17,769	133	5,055
Prepaid taxes	35,552	23,427	-	-
Loan to subsidiary	-	-	79,924	-
Due from related parties	-	-	-	888
Cash and bank balances	1,092,139	1,558,077	282,655	673,564
Total current assets	1,485,708	1,813,565	384,657	681,444
Total assets	7,812,253	6,246,737	2,452,314	2,422,551

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

	Group		Company	
	As at		As at	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
EQUITY AND LIABILITIES				
Current liabilities				
Trade payables	85,298	88,172	-	-
Other payables and accruals	129,021	101,571	6,557	5,634
Due to immediate holding company	-	3,534	-	4,422
Advances from customers	88,039	56,752	-	-
Loans and borrowings from financial institutions	12,971	14,545	136	98
Provision for taxation	249,099	177,237	5,125	-
Total current liabilities	564,428	441,811	11,818	10,154
Non-current liabilities				
Loans and borrowings from financial institutions	6,108	9,602	601	648
Bonds payable	493,685	490,263	-	-
Notes payable	1,502,776	1,455,946	-	-
Derivative financial liability	196,912	3,747	-	-
Provision for post employment benefits	33,744	26,801	-	-
Due to related parties	1,308	-	-	-
Deferred tax liabilities	683,994	511,925	-	-
Total non-current liabilities	2,918,527	2,498,284	601	648
Total liabilities	3,482,955	2,940,095	12,419	10,802
Net assets	4,329,298	3,306,642	2,439,895	2,411,749
Equity attributable to equity holders of the parent				
Share capital	2,350,605	2,350,605	2,350,605	2,350,605
Treasury shares	(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	126,856	65,066	128,000	65,066
Retained earnings/(accumulated losses)	1,705,510	747,254	24,807	(3,922)
	4,162,373	3,205,844	2,439,895	2,411,749
Minority interests	166,925	100,798	-	-
Total equity	4,329,298	3,306,642	2,439,895	2,411,749

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 31.12.2008			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	-	12,971	12,971	-	14,545	14,545
Amount repayable after one year	1,996,461	6,108	2,002,569	1,946,209	9,602	1,955,811
Total	1,996,461	19,079	2,015,540	1,946,209	24,147	1,970,356

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 utilisation rights have been issued to PT Meridan Sejatisurya Plantation amounting to Rp 500 billion.

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			
	Year ended		Three months ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
Cash flows from operating activities				
Cash receipt from customers (Note A)	2,803,954	1,715,724	648,534	501,008
Cash payments to suppliers and employees	(1,140,347)	(1,010,525)	(126,977)	(352,935)
Effects of exchange rates	109,470	65,166	103,351	65,085
Cash generated from operations	1,773,077	770,365	624,908	213,158
Receipts from :				
Interest income	28,277	21,098	14,972	8,750
Income tax refunds	4,146	-	-	-
Payments for :				
Interest expenses	(232,298)	(165,649)	(109,772)	(77,072)
Income tax	(389,244)	(82,653)	(110,592)	(15,673)
Income tax penalties	(1,190)	-	-	-
Net cash generated from operating activities	1,182,768	543,161	419,516	129,163
Cash flow from investing activities				
Payment for development of oil palm plantations	(132,594)	(199,674)	(53,333)	(64,716)
Payment for development of plasma plantations-net	(19,108)	(35,630)	(207)	(2,909)
Proceeds from sale of mature plantations	588	-	588	-
Acquisition of property, plant and equipment	(643,091)	(386,664)	(122,288)	(68,834)
Advance payment for property, plant and equipment	(69,162)	-	14,135	-
Proceed from sale of property, plant and equipment	3,203	142	3,203	-
Acquisitions of land rights	(2,361)	(12,050)	(2,361)	(12,050)
Acquisition of additional shares in existing subsidiary	-	(129,917)	-	(129,917)
Acquisition of subsidiary	(398,609)	(335,868)	(369,387)	(316,811)
Dividend received from an associate	-	250	-	-
Acquisition of intangible assets	(9,245)	(1,910)	(9,245)	(95)
Increase in deferred charges	(125)	-	6,595	258
Increase in due from related parties	-	-	-	(14,336)
Loan to third party	-	-	29,555	-
Net cash used in investing activities	(1,270,504)	(1,101,321)	(502,745)	(609,410)

1(c) Consolidated Cash Flow Statement (continued)

	Group			
	Year ended		Three months ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	Rp.'million	Rp.'million	Rp.'million	Rp.'million
Cash flows from financing activities				
Proceeds from issuance of shares, net of issuance costs	-	1,076,553	-	1,073,588
Buy-back of ordinary shares	(63,517)	-	(201)	-
Dividends paid	(133,511)	-	-	-
Redemption of bonds payable	-	(90,315)	-	-
Redemption of notes payable	(128,367)	-	(82,197)	-
Proceeds from issuance of bonds payable	-	490,097	-	490,097
Release of restricted funds	-	710,778	-	-
Net cash proceeds from cross currency swap transactions	16,852	-	1,587	-
Release/(placement) of secured time deposit	150,000	(150,000)	-	(150,000)
Payment of obligations under capital leases	(6,208)	(6,253)	(1,599)	(1,827)
Payment of consumer financing loans	(11,848)	(6,150)	(2,020)	(2,383)
Payment to related parties, net	(47,450)	(92,442)	(46,728)	(4,133)
Decrease in capital reserve	(4,153)	-	(4,153)	-
Return of margin call deposit	-	-	33,950	-
Payment to minority interest shareholders	-	(731)	-	(731)
Net cash (used in)/generated from financing activities	(228,202)	1,931,537	(101,361)	1,404,611
Net (decrease)/increase in cash on hand and in banks	(315,938)	1,373,377	(184,590)	924,364
Cash on hand and in banks, at the beginning of the financial year/period	1,408,077	34,700	1,276,729	483,713
Cash on hand and in banks, at the end of the financial year/period	1,092,139	1,408,077	1,092,139	1,408,077
<u>Note A</u>				
Cash receipts from customers is as follows:				
Sales	2,782,948	1,691,368	692,565	509,313
Increase in trade receivables	(10,281)	(18,940)	(12,382)	4,602
Increase/(decrease) in advance from customers	31,287	43,296	(31,649)	(12,907)
Cash receipt from customers	2,803,954	1,715,724	648,534	501,008

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 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 reserve	Retained earnings	Minority interests	Total equity
At 1 October 2008	2,350,605	(63,316)	314,410	(274,056)	2,565	71,261	(47,808)	1,528,198	143,518	4,025,377
Foreign currency translation adjustments	-	-	-	-	-	55,595	-	-	-	55,595
Net income recognised directly in equity	-	-	-	-	-	55,595	-	-	-	55,595
Reclassified from equity and included in other operating income	-	-	-	-	-	-	47,808	-	-	47,808
Profit for the period	-	-	-	-	-	-	-	177,312	9,916	187,228
Total recognised income for the year	-	-	-	-	-	55,595	47,808	177,312	9,916	290,631
Acquisition of subsidiary	-	-	-	-	-	-	-	-	13,491	13,491
Buy-back of shares	-	(201)	-	-	-	-	-	-	-	(201)
At 31 December 2008	2,350,605	(63,517)	314,410	(274,056)	2,565	126,856	-	1,705,510	166,925	4,329,298
At 1 October 2007	444,814	-	314,410	-	-	(6,686)	-	627,061	682,042	2,061,641
Foreign currency translation adjustments	-	-	-	-	-	71,752	-	-	-	71,752
Revaluation on acquisition of subsidiary	-	-	-	-	2,565	-	-	-	-	2,565
Net income recognised directly in equity	-	-	-	-	2,565	71,752	-	-	-	74,317
Profit for the period	-	-	-	-	-	-	-	120,193	29,500	149,693
Total recognised income for the year	-	-	-	-	2,565	71,752	-	120,193	29,500	224,010
Issuance of ordinary shares	1,957,934	-	-	-	-	-	-	-	-	1,957,934
Share issue expense	(52,143)	-	-	-	-	-	-	-	-	(52,143)
Premium paid on acquisition of minority interest	-	-	-	(274,056)	-	-	-	-	-	(274,056)
Acquisition of minority interest	-	-	-	-	-	-	-	-	(610,744)	(610,744)
At 31 December 2007	2,350,605	-	314,410	(274,056)	2,565	65,066	-	747,254	100,798	3,306,642

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 reserve	Retained earnings	Minority interests	Total equity
	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million	Rp.'million
At 1 January 2008	2,350,605	-	314,410	(274,056)	2,565	65,066	-	747,254	100,798	3,306,642
Net gain on fair value changes	-	-	-	-	-	-	(47,808)	-	-	(47,808)
Foreign currency adjustments	-	-	-	-	-	61,790	-	-	-	61,790
Net income recognised directly in equity	-	-	-	-	-	61,790	(47,808)	-	-	13,982
Reclassified from equity to other operating income	-	-	-	-	-	-	47,808	-	-	47,808
Profit for the year	-	-	-	-	-	-	-	1,091,768	59,829	1,151,597
Total recognised income for the year	-	-	-	-	-	61,790	-	1,091,768	59,829	1,213,387
Dividend paid	-	-	-	-	-	-	-	(133,512)	(7,193)	(140,705)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	13,491	13,491
Buy-back of shares	-	(63,517)	-	-	-	-	-	-	-	(63,517)
At 31 December 2008	2,350,605	(63,517)	314,410	(274,056)	2,565	126,856	-	1,705,510	166,925	4,329,298
At 1 January 2007	330,487	-	324,959	-	-	(100)	-	315,997	624,738	1,596,081
Foreign currency translation adjustments	-	-	-	-	-	65,166	-	-	-	65,166
Revaluation on acquisition of subsidiary	-	-	-	-	2,565	-	-	-	-	2,565
Net income recognised directly in equity	-	-	-	-	2,565	65,166	-	-	-	67,731
Profit for the year	-	-	-	-	-	-	-	431,257	195,654	626,911
Total recognised income for the year	-	-	-	-	2,565	65,166	-	431,257	195,654	694,642
Issuance of shares	2,072,261	-	-	-	-	-	-	-	-	2,072,261
Share issue expense	(52,143)	-	-	-	-	-	-	-	-	(52,143)
Premium paid on acquisition of minority interest	-	-	-	(274,056)	-	-	-	-	-	(274,056)
Acquisition of minority interest	-	-	-	-	-	-	-	-	(719,594)	(719,594)
Difference between shares received and shares issued from acquisition of subsidiaries under common control	-	-	(10,549)	-	-	-	-	-	-	(10,549)
At 31 December 2007	2,350,605	-	314,410	(274,056)	2,565	65,066	-	747,254	100,798	3,306,642

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
At 1 Oct 2008	2,350,605	(63,316)	71,261	12,481	2,371,031
Foreign currency translation adjustments	-	-	56,739	-	56,739
Net income recognised directly in equity	-	-	56,739	-	56,739
Profit for the period	-	-	-	12,326	12,326
Total recognised income for the period	-	-	56,739	12,326	69,065
Buy-back of ordinary shares	-	(201)	-	-	(201)
At 31 December 2008	2,350,605	(63,517)	128,000	24,807	2,439,895
At 1 Oct 2007	444,814	-	(6,686)	(1,004)	437,124
Foreign currency translation adjustments	-	-	71,752	-	71,752
Net income recognised directly in equity	-	-	71,752	-	71,752
Loss for the period	-	-	-	(2,918)	(2,918)
Total recognised income for the period	-	-	71,752	(2,918)	68,834
Issuance of ordinary shares	1,957,934	-	-	-	1,957,934
Share issue expense	(52,143)	-	-	-	(52,143)
At 31 December 2007	2,350,605	-	65,066	(3,922)	2,411,749
At 1 Jan 2008	2,350,605	-	65,066	(3,922)	2,411,749
Foreign currency translation adjustments	-	-	62,934	-	62,934
Net income recognised directly in equity	-	-	62,934	-	62,934
Profit for the year	-	-	-	162,240	162,240
Total recognised income for the year	-	-	62,934	162,240	252,174
Dividend paid	-	-	-	(133,511)	(133,511)
Buy-back of ordinary shares	-	(63,517)	-	-	(63,517)
At 31 December 2008	2,350,605	(63,517)	128,000	24,807	2,439,895
At 1 Jan 2007	330,487	-	(100)	(89)	330,298
Foreign currency translation adjustments	-	-	65,166	-	65,166
Net income recognised directly in equity	-	-	65,166	-	65,166
Loss for the year	-	-	-	(3,833)	(3,833)
Total recognised income for the year	-	-	65,166	(3,833)	61,333
Issuance of ordinary shares	2,072,261	-	-	-	2,072,261
Share issue expense	(52,143)	-	-	-	(52,143)
At 31 December 2007	2,350,605	-	65,066	(3,922)	2,411,749

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 31 December 2008, the Company purchased 102,000 ordinary shares from the public, and held them as treasury shares. During the full year ended 31 December 2008, the Company purchased a total of 15,000,000 ordinary 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	
	31.12.2008	31.12.2007
Number of shares held as treasury shares	15,000,000	-
Number of issued shares excluding treasury shares	1,453,459,221	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	
	31.12.2008	31.12.2007
Number of issued shares excluding treasury shares	1,453,459,221	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.

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 Jan 2008. The adoption of these FRS and INT FRS has no significant impact to the Group except for FRS 41, in which valuation of immature plantations is based on income approach rather than the cost approach. The change in valuation is applied prospectively.

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 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 31 December 2007 and 31 December 2008.

Items	Group			
	Year ended		Three months ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Earnings per ordinary share for the period (in Rupiah) :				
(i) Basic	746.20	404.49	121.99	107.07
(ii) Fully diluted	746.20	404.49	121.99	107.07
Weighted average number of shares applicable to basic and fully diluted earnings per share	1,463,102,650	1,066,161,832	1,453,473,634	1,122,592,981

The weighted average number of shares used to compute the earnings per share takes into account:

- (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 December 2008.

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 31.12.2008	As at 31.12.2007	As at 31.12.2008	As at 31.12.2007
	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)	2,863.77	2,183.13	1,678.68	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**

REVIEW OF INCOME STATEMENT

For the three months ("4Q2008") and full year ("FY2008") ended 31 December 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 2007 and December 2007 (whereas for the comparative period, it was equity-accounted for as a 32% held associate). 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 4Q2008/FY2008 as compared to 4Q2007/FY2007.

Sales

Sales increased by 36.0% from Rp509.3 billion in 4Q2007 to Rp692.6 billion in 4Q2008. This, combined with sales from first nine months of the year, brought FY2008 sales to Rp2,782.9 billion, an increase of 64.5% over FY2007. This increase in sales is attributed to increased production volumes of fresh fruit bunches ("FFB"), crude palm oil ("CPO") and palm kernel ("PK"), consolidation of PT MSSP's financials, as well as higher average selling prices achieved for both CPO and PK.

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

8. Review of Group Performance (continued)

Sales	FY2008	FY2007	Change	4Q2008	4Q2007	Change
	Rp.'million	Rp.'million	%	Rp.'million	Rp.'million	%
Crude Palm Oil	2,472,070	1,504,436	64.3%	644,240	454,116	41.9%
Palm Kernel	309,522	165,561	87.0%	48,287	55,197	(12.5%)
Fresh Fruit Bunches	-	21,371	(100.0%)	-	-	-
Others	1,356	-	n.m.	38	-	n.m.
Total Sales	2,782,948	1,691,368	64.5%	692,565	509,313	36.0%

Sales Volume	FY2008	FY2007	Change	4Q2008	4Q2007	Change
	Ton	Ton	%	Ton	Ton	%
Crude Palm Oil	337,016	269,004	25.3%	96,963	70,883	36.8%
Palm Kernel	79,397	52,141	52.3%	20,622	15,105	36.5%
Fresh Fruit Bunches	-	20,517	(100.0%)	-	-	-

Average Price/kg	FY2008	FY2007	Change	4Q2008	4Q2007	Change
	Rp.	Rp.	%	Rp.	Rp.	%
Crude Palm Oil	7,335	5,593	31.1%	6,644	6,407	3.7%
Palm Kernel	3,898	3,175	22.8%	2,342	3,654	(35.9%)
Fresh Fruit Bunches	-	1,042	n.m.	-	-	-

Cost of Sales

Cost of sales comprises mainly of harvesting costs, plantation maintenance costs, FFB purchases from plasma farmers, plantation general expenses and mill processing costs. Cost of sales increased by 48.1% from Rp183.7 billion in 4Q2007 to Rp272.0 billion in 4Q2008. This brought FY2008 cost of sales to Rp922.5 billion, an increase of 20.4% over FY2007.

A large portion of this increase is due increases in the value of FFB purchases, as both average prices and volume of FFB purchased from plasma farmers increased over FY2007. The prices of plasma FFB are set regularly by the regional government, based on market prices of CPO. As a result of higher average CPO prices registered in FY2008, the prices set for plasma FFB were also higher as compared to FY2007. There were also increases in plantation general expenses, freight charges, mill processing costs, and factory general expenses. However, these are in line with the higher volume of FFB harvested, transported and processed at the mills.

Gross Profit

Gross profit increased by 29.2% from Rp325.6 billion in 4Q2007 to Rp420.6 billion in 4Q2008. However, gross margin decreased from 63.9% in 4Q2007 to 60.7% in 4Q2008. For FY2008, gross profit increased by 101.1% to Rp1,860.5 billion and gross margin increased from 54.7% in FY2007 to 66.9% in FY2008.

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. 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.

8. Review of Group Performance (continued)

Gains arising from changes in fair value of biological assets was Rp78.7 billion in 4Q2008, whilst there was a loss recorded in 4Q2007 of Rp48.1 billion. Although assumptions of forward CPO prices were lower in December 2008 as compared to June 2008, this was more than offset by the reduction in discount rate and the adoption of income approach for immature plantations (whereas in 4Q2007 and FY2007, immature plantations were valued using the cost approach). The latter is due to recent improvement to FRS 41 which was only published in October 2008.

For FY2008, gains arising from changes in fair value of biological assets totaled Rp377.7 billion, an increase of 141.2% from Rp156.5 billion in FY2007. This was mainly to the adoption of income approach for valuation of immature plantations as mentioned above, as well as addition in hectareage from new plantings carried out in FY2008.

Operating Expenses

Operating expenses comprise of selling expenses and general and administration expenses.

- **Selling and distribution costs**

Selling expenses comprises mainly of transportation expenses and export taxes and it increased by 31.4% from Rp14.3 billion in 4Q2007 to Rp18.8 billion in 4Q2008. This brought FY2008 selling and distribution costs to Rp166.2 billion, an increase of 322.0% over FY2007. 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 in the first ten months of 2008, and an increase in our CPO export volume.

- **General and administrative expenses**

General and administrative expenses comprise of professional fees, remuneration of office staff, licences and software fees and this increased by 75.7% from Rp18.1 billion in 4Q2007 to Rp31.7 billion in 4Q2008. This brought FY2008 general and administrative expenses to Rp115.6 billion, a 104.0% increase over FY2007. This was mainly due to increases in salaries, bonus and professional fees.

Gains on Foreign Exchange

We recorded a gain of Rp97.5 billion on foreign exchange, compared to a gain of Rp4.0 billion in 4Q2007. For FY2008, we had a cumulative gain on foreign exchange of Rp103.3 billion compared to a cumulative gain of Rp1.5 billion in FY2007. These gains are primarily due to translation gains of the Group's cash balance.

Financial Expenses, Net

Net financial expenses comprise interest expenses after deducting interest income, other financial gains/losses and unrealised losses/ gains arising from foreign exchange translation of financial activities. Part of the interests payments on our debt instruments, the gains/losses arising from foreign exchange translation of the outstanding debt and the amortization cost of issuing the debt are capitalized to our immature plantations or to the biodiesel plant under construction. Interest expense recognised in the income statement represents the components of these that are not capitalized.

Net financial expenses increased by 498.7% from Rp54.4 billion in 4Q2007 to Rp325.8 billion in 4Q2008. For FY2008, net financial expenses increased by 242.7% from Rp134.2 billion in FY2007 to Rp459.8 billion.

The significant increase in FY2008 is mainly due to marked-to-market losses of Rp164.9 billion incurred on a cross currency swap that the Group entered into in Nov 2007 to swap both the principal and interest payments of our IDR bond (issued in Nov 2007) into USD liabilities. The marked-to-market losses increased significantly in 4Q2008 as the IDR exchange rate depreciated and the USD/IDR forward swaps levels widened.

8. Review of Group Performance (continued)

In FY2008, there were also additional indebtedness in the form of the IDR bond we issued in Nov 2007 and translation losses arising from Rupiah translation of our USD Notes (issued in December 2006) as a result of a weaker Rupiah. These were partly offset by a gain of Rp69.0 billion booked from buying back some of our USD Notes at a discount.

Tax Expense

Tax expense decreased by 16.8% from Rp63.2 billion in 4Q2007 to Rp52.6 billion in 4Q2008. For FY2008, tax expense increased by 78.4% from Rp263.8 billion in FY2007 to Rp470.4 billion. This increase was mainly due to higher current taxes resulting from increased profit before taxation.

Profit for the Year / Period

As a result of the foregoing, profit for the period increased by 25.1% from Rp149.7 billion in 4Q2007 to Rp187.2 billion in 4Q2008 and profit for the year increased by 83.7% from Rp626.9 billion in FY2007 to Rp1,151.6 billion in FY2008.

Minority Interest

Minority interests' percentage share of net profit in FY2008/4Q2008 was smaller as compared to FY2007/4Q2007 due to acquisition of a 38% interest of PT PSA shares from minority shareholders in December 2007 which increased the Group's effective shareholding in PT PSA from 59.20% as at 31 December 2007 to 95.31% as at 31 December 2008. This is partially offset by minority interest share of net profit of PT MSSP. PT MSSP was an associate in FY2007 whereas it was a 93.56% held subsidiary in FY2008.

REVIEW OF BALANCE SHEET

Assets

Total assets of the Group grew by 25.1% from Rp6,246.7 billion as at 31 December 2007 to Rp7,812.3 billion as at 31 December 2008.

This increase is mainly due to the increase in our non-current assets. Biological assets grew by Rp778.8 billion mainly due to the new plantings and land preparation works carried out during the year, acquisition of PT Borneo Ketapang Permai and subsidiaries ("PT BKP"), and adoption of the income approach in valuing immature plantation (which were previously valued using cost approach). Net book value of property, plant and equipment rose by Rp522.8 billion mainly due to our capital expenditure in a new biodiesel plant and a new CPO mill. Intangible assets increased by Rp283.1 billion due to values assigned to land permits acquired when PT BKP was acquired in FY2008.

Current assets decreased by 18.1% from Rp1,813.6 billion as at 31 December 2007 to Rp1,485.7 billion as at 31 December 2008. This is mainly due to a decrease in our cash and cash equivalent balance as we continued our capital expenditure programme, acquired PT Panca Surya Garden and PT BKP, repurchased part of the Group's USD Notes and bought back part of the Company's ordinary shares. This is partially offset by increase in inventories by 29.2% from Rp.150.9 billion to Rp195.0 billion arising from increase in purchases of fertiliser and chemicals to support new plantings. As at 31 December 2008, we had cash on hand and in banks amounting to Rp1,092.1 billion, a decrease of Rp465.9 billion from Rp 1,558.1 billion as at 31 December 2007.

Liabilities

Total liabilities of the Group grew by 18.5% from Rp2,940.1 billion as at 31 December 2007 to Rp3,483.0 billion as at 31 December 2008.

8. Review of Group Performance (continued)

This increase is mainly due to an increase of Rp420.2 billion in our non-current liabilities. There were increased derivative financial liabilities incurred as a result of marked-to-market losses on the cross currency swap transaction, and increased deferred tax liabilities due to gains arising from biological assets valuation. Current liabilities grew by Rp122.6 billion from 31 December 2007 mainly due to a Rp71.9 billion increase in tax provision.

Equity

Our total equity increased to Rp4,329.3 billion as at 31 December 2008 due to the Group's strong performance in FY2008. The increase in total equity was slightly offset by increase in treasury shares as a result of share buyback by the Company in the second half of 2008, as well as payment of an interim dividend in 3Q2008. Capital reserve relates to premium paid on acquisition of minority interest in PT PSA.

REVIEW OF CASH FLOW STATEMENT

Net cash generated from operating activities for 4Q2008 was Rp419.5 billion, an increase of 224.8% over 4Q2007. For FY2008, net cash generated from operating activities was Rp1,182.8 billion, an increase of 117.8% over FY2007. This was primarily due to better operating results achieved during the period.

Net cash used in investing activities decreased by 17.5%, from Rp609.4 billion in 4Q2007 to Rp502.7 billion in 4Q2008. For FY2008, net cash used in investing activities was Rp1,270.5 billion, an increase of 15.4% over FY2007. This increase was attributable to an increase in capital expenditure on property, plant and equipment, and acquisition of new subsidiaries in FY2008.

For financing activities, we were in a net cash used position of Rp101.4 billion in 4Q2008 compared to a net cash generated position of Rp1,404.6 billion in 4Q2007. We were in a net cash used position of Rp228.2 billion in FY2008 as compared to a net cash generated position of Rp1,931.5 billion in FY2007. This was mainly due to release of restricted funds of Rp 710.8 billion in FY2007, proceeds from issuance of Rupiah bonds in November 2007, buyback of ordinary shares in FY2008, payment of ordinary dividends in FY2008, and partial redemption of our USD Notes in FY2008.

As a result of the foregoing, the Group's registered an overall decrease in cash and cash equivalent to Rp1,092.1 billion as of 31 December 2008.

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 current global financial crisis, credit crunch, and economic slowdown have impacted the commodity markets resulting in decline in prices of many commodities, including that of CPO. However, in the early part of 2009, CPO prices have recovered to some extent as consumption-based demand remained relatively firm, international trade conditions improved, and CPO production volume growth slowed in Malaysia and Indonesia. Although prices are still lower than the average level experienced in FY2008, such prices remain above the Group's cash cost of production. As such, barring any unforeseen circumstances, the Group expects to remain profitable in FY2009. The Group will continue with its strong focus of increasing productivity and keeping costs low.

11. Dividends

**(a) Current financial period reported on
Any dividend declared for the current financial period reported on?**

An interim dividend has been declared and paid out on 10 September 2008.

Name of dividend:	Interim tax-exempt
Dividend type:	Cash
Dividend amount per Share (in cents):	1.4 Singapore cents per ordinary share
Par value of shares (not applicable for a Singapore incorporated company):	Not applicable
Tax rate:	Tax-exempt 1-tier

**(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 final dividend has been recommended for the full year ended December 2008.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Currently the Group operates in only one country and has one business segment. Hence, no segmental information is presented.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Not applicable.

15. A breakdown of sales

	Group		
	FY2008	FY2007	Change
	Rp.'million	Rp.'million	%
Sales reported for the first half year	1,453,910	760,566	91.2%
Operating profit after tax before deducting minority interests reported for first half year	751,560	336,783	123.2%
Sales reported for the second half year	1,329,038	930,802	42.8%
Operating profit after tax before deducting minority interests reported for second half year	400,037	290,128	37.9%

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Items	FY2008		FY2007	
	SGD'000	Rp.'million equivalent	SGD'000	Rp.'million equivalent
Ordinary - Interim	20,496	133,512	-	-
Preference	-	-	-	-
Total	20,496	133,512	-	-

17. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	Rp.'million	Rp.'million
PT Surya Dumai Industri	1,628	Nil
Fangiono Resources Pte. Ltd.	3,703	Nil
PT Plamo Karya	30,305	Nil
Total	35,616	Nil

BY ORDER OF THE BOARD

Ciliandra Fangiono

Director and Chief Executive Officer
27 February 2009

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.