

FIRST RESOURCES LIMITED

(Company Registration No. 200415931M)
(Incorporated in Singapore with limited liability)



FOR IMMEDIATE RELEASE

First Resources achieves FY2014 underlying net profit of US\$171.6 million

- Sales held steady at US\$615.5 million, supported by increased sales volumes from the Refinery and Processing segment
- Proposes a final dividend of 2.30 Singapore cents per share, taking total FY2014 dividend to 3.55 Singapore cents per share

FINANCIAL HIGHLIGHTS (for the financial year ended 31 December)

US\$' million	FY2014	FY2013	Change
Sales	615.5	626.5	(1.8%)
Gross Profit	323.4	381.7	(15.3%)
EBITDA ⁽¹⁾	299.7	338.9	(11.6%)
Net Profit ⁽²⁾	173.4	238.2	(27.2%)
Underlying Net Profit ⁽³⁾	171.6	217.0	(20.9%)

(1) Profit from operations before depreciation, amortisation and gains arising from changes in fair value of biological assets

(2) Profit attributable to shareholders

(3) Profit attributable to shareholders excluding net gains arising from changes in fair value of biological assets

Singapore, 26 February 2015 – First Resources Limited (“First Resources” or the “Group”), today reported a net profit of US\$173.4 million for the 12 months ended 31 December 2014 (“FY2014”), while underlying net profit excluding net gains arising from changes in fair value of the Group’s biological assets was US\$171.6 million.

The Group’s financial performance was modest given the weakness in palm oil prices in 2014, which led to a 1.8% year-on-year (“yoy”) decline in sales from US\$626.5 million to US\$615.5 million despite increased in sales volumes. In line with lower average selling prices, EBITDA fell 11.6% to US\$299.7 million in FY2014 compared to US\$338.9 million in FY2013.

As at 31 December 2014, the Group maintained a strong financial position with net gearing ratio remaining low at 0.21 times and cash and bank balances of US\$350.9 million as compared to US\$272.2 million as at 31 December 2013.

On the production front, the Group achieved continued growth with a 9.0% yoy increase in Fresh Fruit Bunches (“**FFB**”) harvested from 2.27 million tonnes to 2.47 million tonnes, while production of crude palm oil (“**CPO**”) grew by 7.2% to 630,988 tonnes. Production growth was driven mainly by the increase in mature hectareage as well as contributions from acquired plantations.

In FY2014, the Group recorded the same operational efficiencies as FY2013 with FFB yield and CPO yield maintained at 18.7 tonnes per hectare and 4.3 tonnes per hectare respectively. Overall yields continued to be influenced by the combined dilutive effects from lower yielding newly mature plantations and as well as slower than expected FFB nucleus yield recovery from its Riau plantations.

Mr. Ciliandra Fangiono, CEO of First Resources said, *“2014 was a challenging year for oil palm growers because of weaker prices caused by slower demand as well as a large soybean harvest. Under such an operating environment, we are pleased that we managed to achieve a satisfactory set of results especially when compared against 2013, where our performance was boosted by higher average selling prices. I believe our latest results showed that our persistent pursuit in sustaining production growth and maintaining cost efficiencies has cushioned our earnings and enabled us to stand resilient.”*

In line with its performance, First Resources is proposing a final dividend of 2.30 Singapore cents per share, bringing the total dividend for FY2014 to 3.55 Singapore cents or an annual dividend payout ratio of 25% of underlying net profit.

Mr. Fangiono said, *“Looking ahead, palm oil prices are likely to remain moderated, influenced by its relative pricing against crude oil and other competing edible oils such as soybean oil. However, the recent developments in Indonesia’s mandatory biodiesel policy should provide some support to prices by sustaining domestic demand. We expect to achieve stronger production volumes in 2015 in view of the anticipated yield recovery and contribution from newly mature plantations.”*

The Group will stay focused on its core upstream business and plans to invest about US\$130 million to grow and maintain its high-quality plantation assets as well as to increase its milling capacity.

-- END --

About First Resources Limited

First Resources Limited is one of the leading palm oil plantation companies, managing more than 190,000 hectares of oil palm plantations and 12 palm oil mills across the Riau, East Kalimantan and West Kalimantan provinces of Indonesia.

The Group's primary activities are cultivating oil palms, harvesting the fruits and milling them into crude palm oil (CPO) and palm kernel for sale to the local and export markets. With its integrated processing facilities, the Group also processes its CPO and palm kernel into higher value palm-based products such as biodiesel, refined, bleached and deodorised (RBD) olein, RBD stearin, palm kernel oil and palm kernel expeller.

The Group has a young plantation age profile, with more than fifty percent of its plantations in their young or immature ages. This favourable age profile positions the Group well for strong production growth over the next few years as these plantations mature into prime-yielding ages.

First Resources is committed to sustainable palm oil production. As part of its business strategy, the Group will focus on growing and maintaining its high quality plantation assets in a responsible manner.

For more information, please visit www.first-resources.com.

For enquiries, please contact:

August Consulting

Janice Ong, janice@august.com.sg
Wrisney Tan, wrisney@august.com.sg
Tel: +65 6733 8873

First Resources Limited

Foong Yuh Chien, yuhchien.foong@first-resources.com
Serene Lim, serene.lim@first-resources.com
Tel: +65 6602 0200