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# First Resources Limited

***Performance Presentation  
Three Months ended 31 Mar 2009  
("1Q2009")***

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*15 May 2009  
Singapore*





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# 1Q2009 Financial Performance

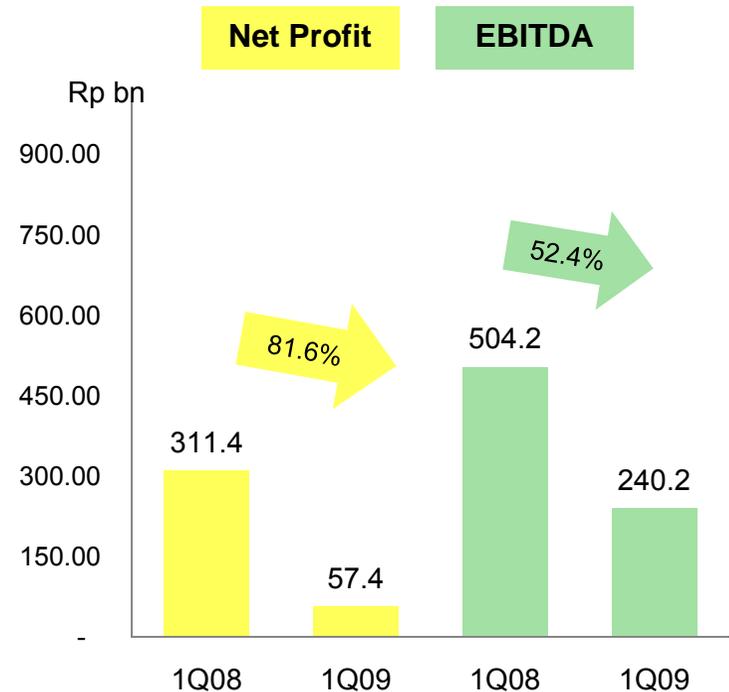
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# Executive Summary – 1Q2009


**Gross Profit: Rp212.5 bn. (US\$18.3 mn.<sup>(1)</sup>)**  
**EBITDA: Rp240.2 bn. (US\$20.7 mn.<sup>(1)</sup>)**  
**Net Profit<sup>(2)</sup> : Rp57.4 bn. (US\$4.9 mn.<sup>(1)</sup>)**


**Gross Margin : 49.2%**  
**EBITDA Margin : 55.6%**  
**Net Profit<sup>(2)</sup> Margin: 13.3%**



- Effects of lower selling prices more than offset higher production volumes
- Low cost of production maintained
- Net profit impacted by significant MTM losses on cross-currency swap and non-cash forex translation losses

(1) Using 1Q2009 average exchange rate of Rp11,631/US\$

(2) Net Profit attributable to shareholders

# Income Statement Highlights

***Satisfactory 1Q performance despite significantly lower ASP, due to maintenance of low production costs***

Rp' billion	1Q2009	1Q2008	Change
Revenue	432.2	733.9	(41.1%)
Gross Profit	212.5	535.7	(60.3%)
Gains/(Losses) from value of Biological Assets	-	-	-
EBITDA	240.2	504.2	(52.4%)
Profit for the Period	60.3	330.2	(81.8%)
Net Profit Attributable to Equity Holders	57.4	311.4	(81.6%)
<ul style="list-style-type: none"> <li>Comprising gains /losses from value of biological assets (adjusted for tax and minority interest expense)</li> </ul>	-	-	-
<ul style="list-style-type: none"> <li>Underlying net profit</li> </ul>	57.4	311.4	(81.6%)
Gross Margin	49.2%	73.0%	
EBITDA Margin	55.6%	68.7%	

# Summary of Significant Items in 1Q2009 Results

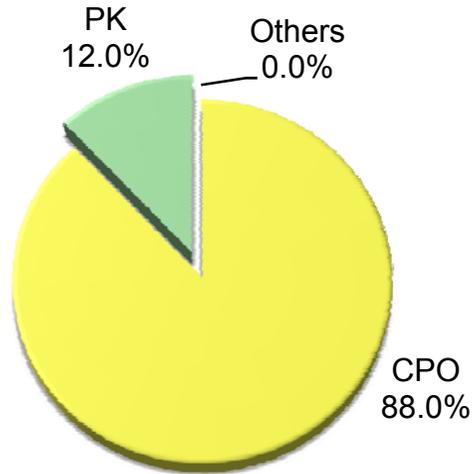
*The following non-cash items were booked in 1Q2009 income statement*

- **Losses from foreign exchange translation of USD Notes of Rp46.4 billion**
  - Due to weakening of IDR (Rp 11,575/US\$ at end March 2009 vs Rp10,950/US\$ at end 2008)
  
- **MTM losses from cross-currency swap of Rp24.6 billion**
  - Represents deterioration of MTM position of cross-currency swap from end Dec 2008 position, due to depreciation of IDR versus USD
  - Cross-currency swap done in Nov 2007 to convert IDR bond to a synthetic USD obligation with competitive interest expense of 7.4% fixed for 5 years



# 1Q2009 Sales Breakdown

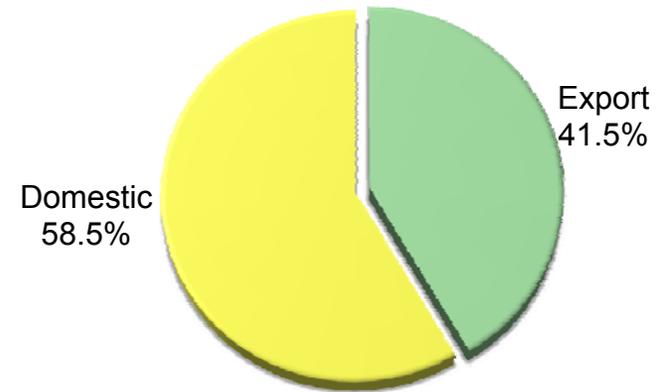
## By Product



Rp' million

CPO	380,271
PK	51,973
Others	-
<b>Total</b>	<b>432,244</b>

## By Domestic/Export



Rp' million

Export	179,593
Domestic	252,651
<b>Total</b>	<b>432,244</b>

# Balance Sheet Highlights

## *Low gearing & healthy cash balance*

Rp' billion	31 Mar 2009	31 Dec 2008
Total Assets	8,044.0	7,815.3
Cash and cash equivalents	1,153.7	1,092.1
Total Liabilities	3,650.5	3,484.4
Interest Bearing Debts <sup>(1)</sup>	2,104.9	2,015.5
Total Equity Attributable to Equity Holders	4,222.1	4,162.4
Net Debt <sup>(2)</sup> /Equity <sup>(3)</sup>	0.23	0.22
Net Debt <sup>(2)</sup> /EBITDA <sup>(4)</sup>	0.25	0.52
EBITDA <sup>(4)</sup> /Interest Expense <sup>(5)</sup>	5.98	8.95

(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) EBITDA calculated as profit from operations less gains from biological asset revaluation plus depreciation and amortisation; EBITDA annualized

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



# 1Q2009 Operational Performance

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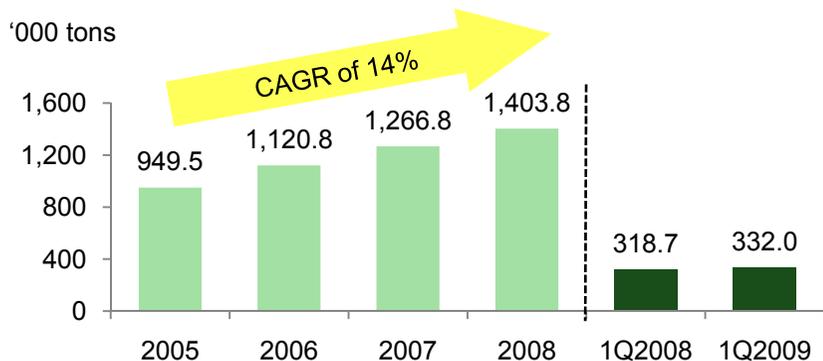
# Operational Highlights

		1Q2009	1Q2008	Change
<b>Production</b>				
<b>FFB Total</b>	(ton)	<b>331,985</b>	<b>318,687</b>	<b>4.2%</b>
FFB Nucleus		299,590	282,120	6.2%
FFB Plasma		32,395	36,567	(11.4%)
<b>CPO</b>	(ton)	<b>77,285</b>	<b>71,991</b>	<b>7.4%</b>
<b>PK</b>	(ton)	<b>18,454</b>	<b>16,434</b>	<b>12.3%</b>
<b>Efficiency</b>				
FFB Yield	(ton/ha)	4.90	5.09	↓
CPO Extraction Rate	(%)	23.23	22.70	↑
PK Extraction Rate	(%)	5.55	5.18	↑
CPO Yield	(ton/ha)	1.14	1.16	↓

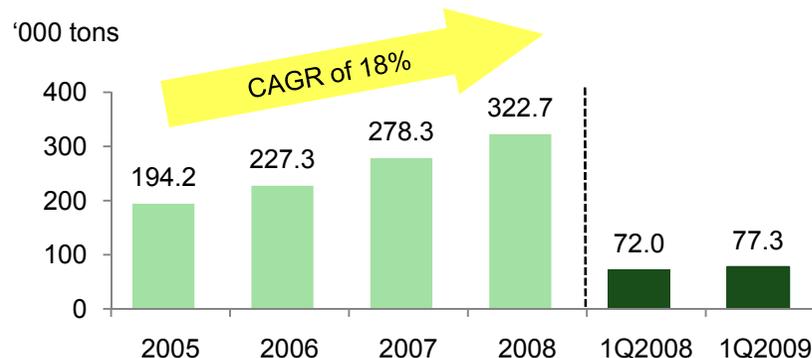
- FFB and CPO production growth in 1Q2009 mainly due to increase in mature hectarage
- CPO production growth > FFB production growth due to higher CPO extraction rate

# Continued Growth in Productivity

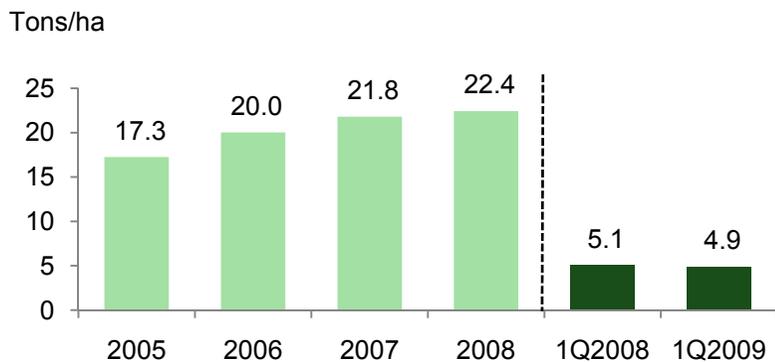
## FFB Production



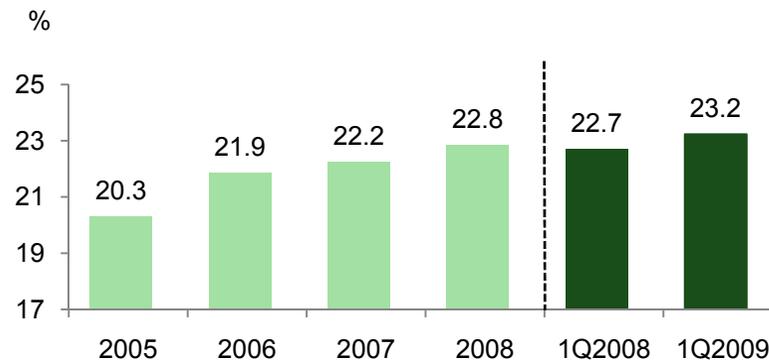
## CPO Production



## Yield per Mature Hectare



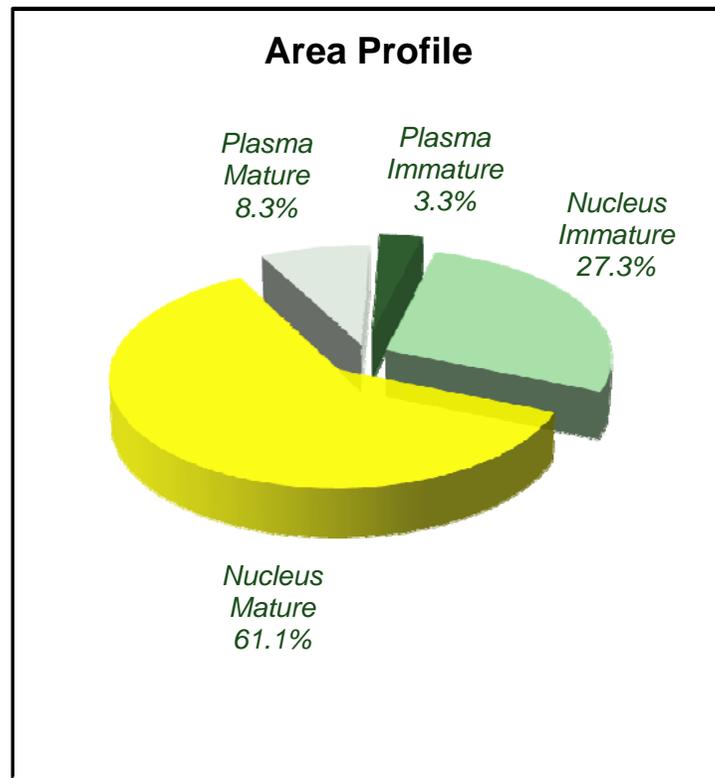
## CPO Extraction Rate



# Plantation Statistics as of 31 Mar 2009

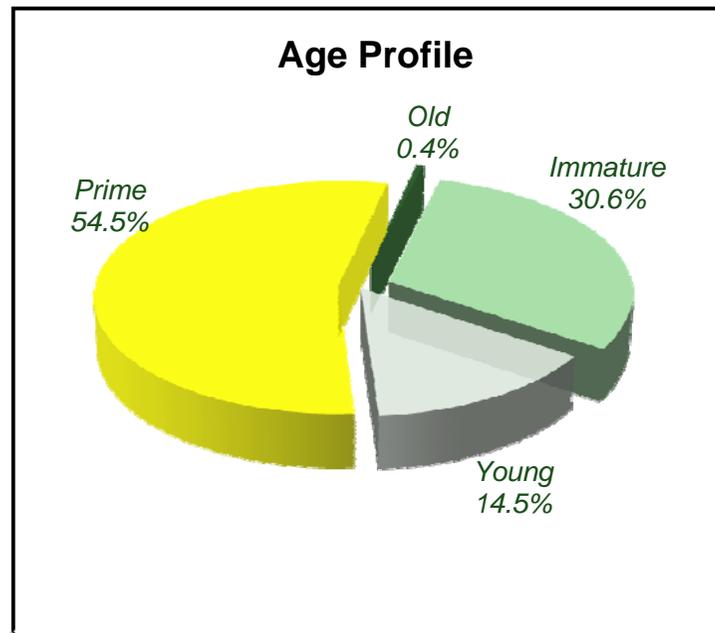
*2,260 new hectares added in 1Q2009*

Description	Area (ha)	% of Total Planted
<b>Planted Nucleus</b>	<b>86,162</b>	<b>88.4%</b>
- Mature	59,580	61.1%
- Immature	26,582	27.3%
<b>Planted Plasma</b>	<b>11,339</b>	<b>11.6%</b>
- Mature	8,132	8.3%
- Immature	3,207	3.3%
<b>Total Planted</b>	<b>97,501</b>	<b>100.0%</b>
- Mature	67,712	69.4%
- Immature	29,789	30.6%



# Plantation Maturity Profile as of 31 Mar 2009

Age	Area (Ha)	% of Total
0-3 years (Immature)	29,789	30.6%
4-7 years (Young)	14,141	14.5%
8-17 years (Prime)	53,118	54.5%
≥18 years (Old)	453	0.4%
<b>Total</b>	<b>97,501</b>	<b>100.0%</b>



**Average plantation age of 8.3 years provides platform for further production growth**



# Outlook

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## ■ CPO prices have recovered strongly since start of 2Q09

- Production of palm oil in Malaysia and Indonesia relatively subdued due to tree stress etc.
- Import demand from major consuming countries highly resilient
- Resulting in sharp reduction in inventory levels at major producing countries
- Spot crude palm oil currently approx. US\$800/ton (FOB Indonesia/ Malaysia)

## ■ Impact on Group

- CPO selling price is the main profitability driver
- Expect to benefit from higher CPO prices in future quarters
- Higher CPO prices should also trigger re-imposition of export taxes by Indonesian government, resulting in higher selling expenses in future quarters

## ■ Outlook

- Notwithstanding fragile state of world economy, import of palm oil into major markets expected to remain strong
- Palm oil production will recover from tree stress eventually, boosting production volumes

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# Contact Us

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**If you need further information, please contact:**

**Ms. Serene Lim / Ms. Gillian Theodosia**

Investor Relations Team

Email: [investor@first-resources.com](mailto:investor@first-resources.com)

## **First Resources Limited**

8 Temasek Boulevard

#36-02 Suntec Tower Three

Singapore 038988

Tel: +65 6333 6788

Fax: +65 6333 6711

[www.first-resources.com](http://www.first-resources.com)