First Resources Limited

Performance Presentation
Full Year ended 31 Dec 2008 ("FY2008")

27 February 2009
Singapore

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Notes on this Presentation

- **We use Singapore Financial Reporting Standards for reporting**

- **Acquisitions in 2007**
  - For FY2008, income statements included the results of PT Meridan Sejatisurya Plantation (PT MSSP), which effectively became a 94%-owned subsidiary after acquisitions of additional interests in July and December 2007. In FY2007, PT MSSP was only equity- accounted as a 32%-owned associate.
  - Acquisition of minority interests in PT Pancasurya Agrindo in December 2007 also resulted in a smaller proportion of results being shared with minority shareholders in FY2008 as compared to FY2007

- **Biological assets valuation**
  - In accordance with Singapore Financial Reporting Standards No. 41, biological assets (plantations) are stated at fair value less estimated costs to sell. The fair value of plantations is determined by an independent valuer, based on the present value of the plantation's expected future net cash inflows. Any resultant gains or losses arising from changes in fair value are recognised in the income statement but are non-cash in nature.

- **Abbreviations**
  - Fresh Fruit Bunches (FFB); Crude Palm Oil (CPO); Palm Kernel (PK)

FY2008 Financial Performance

FY2008 Executive Summary

Gross Profit:	**Rp 1,860.5 bn.**	**(US$ 191.5 mn.[1])**
EBITDA:	**Rp 1,790.8 bn.**	**(US$ 184.3 mn.[1])**
Net Profit[2] :	**Rp 1,091.8 bn.**	**(US$ 112.4 mn.[1])**

Gross Margin :	**66.9%**
EBITDA Margin :	**64.3%**
Net Profit[2] Margin:	**39.2%**

- Higher production volumes and higher selling prices
- Low cost of production maintained
- Net profit impacted by significant MTM losses on cross currency swap transaction and foreign exchange translation losses of USD liabilities

(1) Using FY2008 average exchange rate of Rp 9,716/US$
(2) Net profit attributable to equity holders

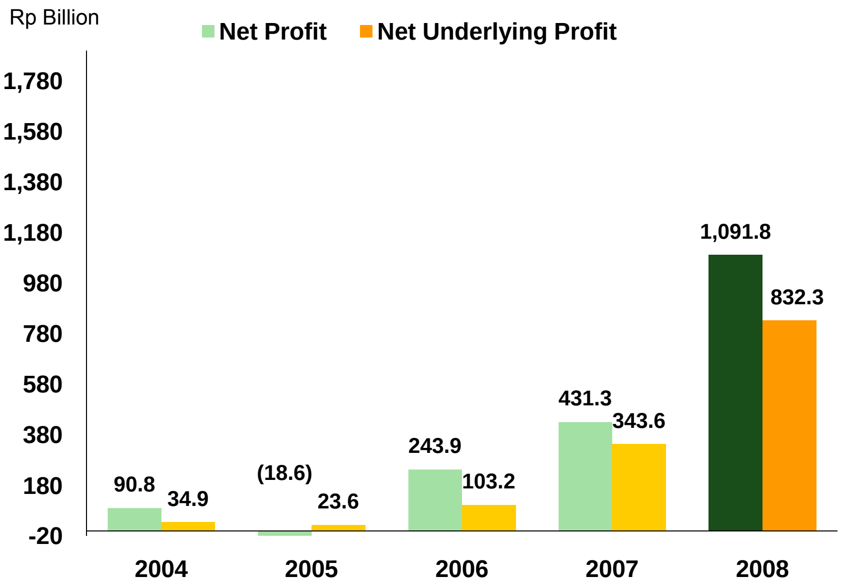
Income Statement Highlights

Rp' billion	FY2008	FY2007	Change
Revenue	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 Period	1,151.6	626.9	83.7%
Net Profit Attributable to Equity Holders	1,091.8	431.3	153.2%
• Comprising gains from value of biological assets (adjusted for tax and minority interest expense)	259.5	87.7	196.1%
• Underlying net profit	832.3	343.6	142.2%

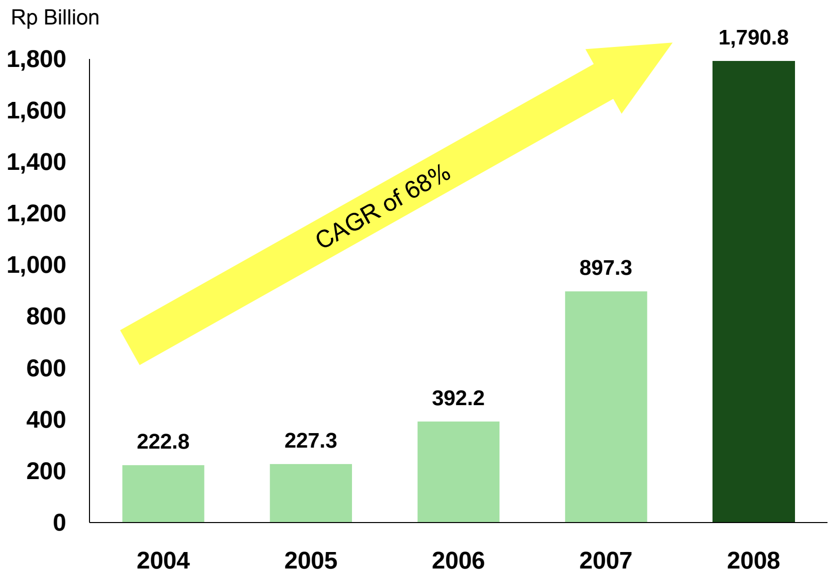
Gross Margin	66.9%	54.7%	⇧
EBITDA Margin	64.3%	53.1%	⇧

Continued Strong Growth In Profits and EBITDA

Net Profit(1) and Net Underlying Profit(2)



EBITDA



FY2008 a record year in profits and EBITDA generation

(1) Net profit attributable to equity holders
(2) Net profit attributable to equity holders after adjusting for contributions from biological asset revaluation

Summary of Significant Items in FY2008 Results

The following items were booked in FY2008's income statement

- **Gains of Rp377.7 billion from changes in fair valuation of biological assets**
  - Due to adoption of income approach valuation for immature plantations (improvement in FRS 41) and additional new plantings and land preparation work carried out in FY2008

- **Gains of Rp69.0 billion from repurchase of Group's Notes**
  - Part of the Group's USD Notes (due in Dec 2011) were repurchased at a discount and cancelled

- **Losses of Rp186.4 billion from FX translation of Group's liabilities**
  - Group has outstanding USD-denominated Notes and USD has appreciated against the IDR

- **Losses of Rp164.9 billion from fair valuation of cross currency swap**
  - Cross currency swap was entered into, to convert Group's 11.5% IDR bond into 7.4% USD liabilities; main objective of keeping both liabilities and revenues in USD
  - MTM losses due to depreciation of IDR and widened USD/IDR interest rate differentials

Review of FY2008 Performance

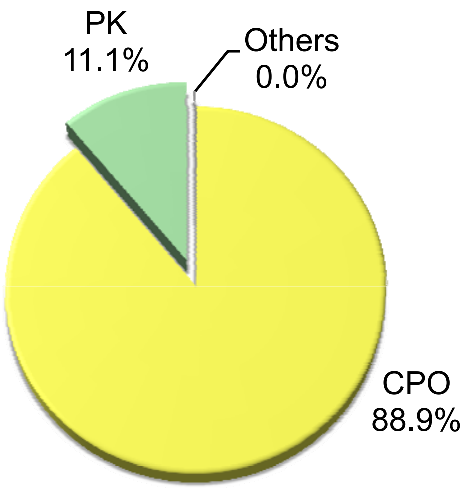
- **Better results from operations due to**
  - increase in average selling prices; benefitted from forward CPO sales in early 2008
  - maintained ex-mill cash cost[(1)] of production for nucleus CPO at approximately USD200/ton
  - increase in FFB, CPO and PK production volumes (organic growth)
  - improved productivity (FFB and CPO yield per hectare)
  - increased milling capacity for processing our FFB in-house, maintaining milling margins
  - acquisition of additional interests in PT Meridan Sejatisurya Plantation and PT Pancasurya Agrindo in 2007 (see notes on slide 3 of this presentation)

- **Results from operations partially offset by high non-cash financial expenses**
  - losses from fair valuation of cross currency swap
  - losses from foreign exchange translation of Group's USD liabilities

(1) Ex-mill cash cost of production does not include depreciation charges, selling and distribution costs and head office general and administrative expenses

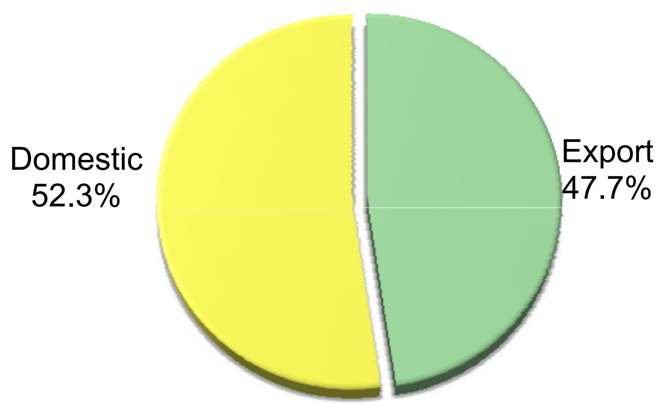
FY2008 Sales Breakdown

By Product



	Rp' million
CPO	2,472,070
PK	309,522
Others	1,356
Total	2,782,948

By Domestic/Export



	Rp' million
Export	1,326,375
Domestic	1,456,573
Total	2,782,948

Balance Sheet Highlights

Low gearing & healthy cash balance

Rp' billion	31 Dec 2008	31 Dec 2007
Total Assets	7,812.3	6,246.7
Cash and cash equivalents	1,092.1	1,558.1
Total Liabilities	3,483.0	2,940.1
Interest Bearing Debts(1)	2,015.5	1,970.4
Total Equity Attributable to Equity Holders	4,162.4	3,205.8

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

Financial Debt Profile

Low refinancing risk in the next 2 years

Rp' billion	31 Dec 2008	31 Dec 2007
10.75% USD Notes due 2011	1,502.8	1,456.0
11.5% Rupiah bond due 2012	493.7	490.3
Total Financial Debt	1,996.5	1,946.3
Less Cash & Cash Equivalents	1,092.1	1,558.1
Net Financial Debt	904.4	388.2

- **Buyback of USD Notes**
  - Group bought and cancelled an aggregate principal of USD19.2 million notes in FY2008
  - Outstanding principal of USD140.8 million as at 31 Dec 2008
- **Cross Currency Swap on IDR Bond**
  - Interests and principal of IDR bond has been swapped into USD liabilities via a cross currency swap since issuance
  - 11.5% Rp500 billion liability effectively converted into a 7.4% USD53.4 million liability

FY2008 Operational Performance

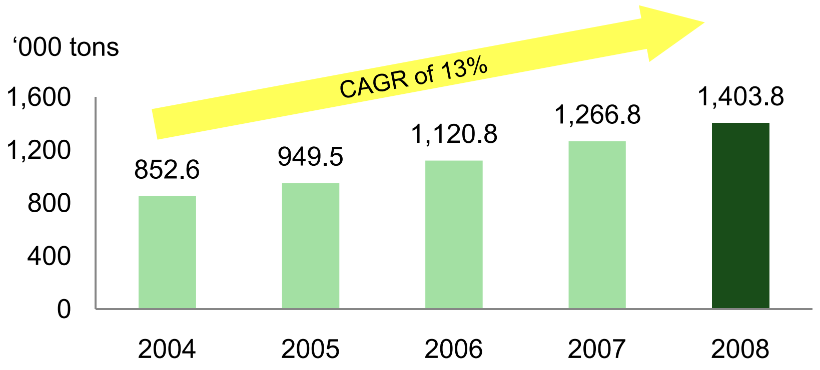
Operational Highlights

		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	↑

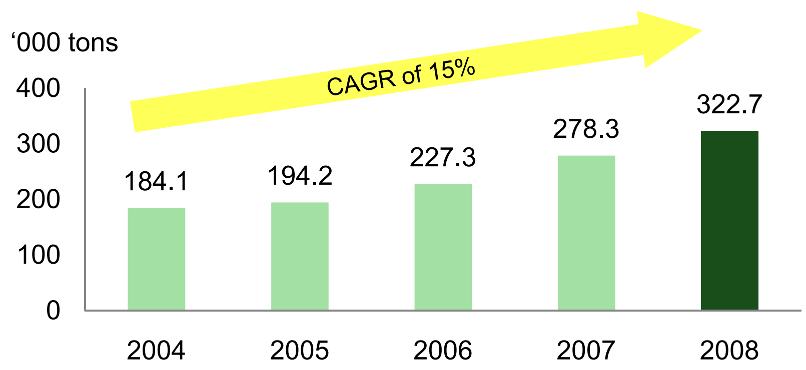
- Strong FFB and CPO growth in FY2008 due to young & growing plantation maturity profile
- CPO production growth > FFB production growth due to new mill commissioned in 4Q07 (processed more FFB internally) and higher CPO extraction rates

5-Year Operational Track Record

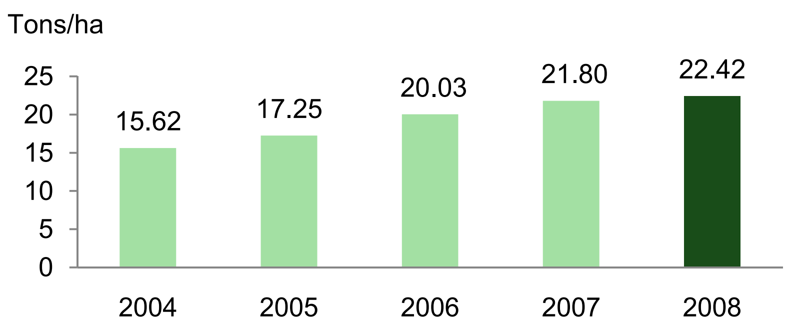
FFB Production



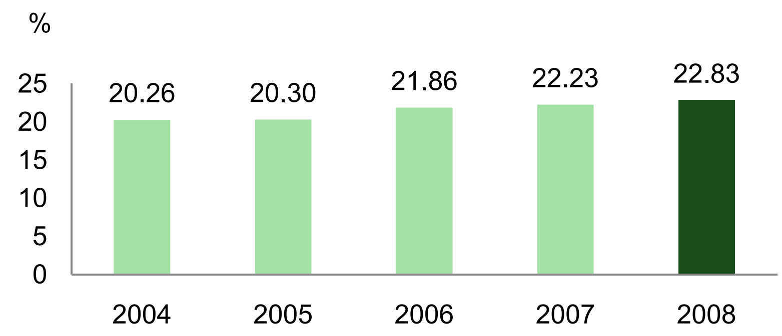
CPO Production



FFB Yield per Mature Hectare



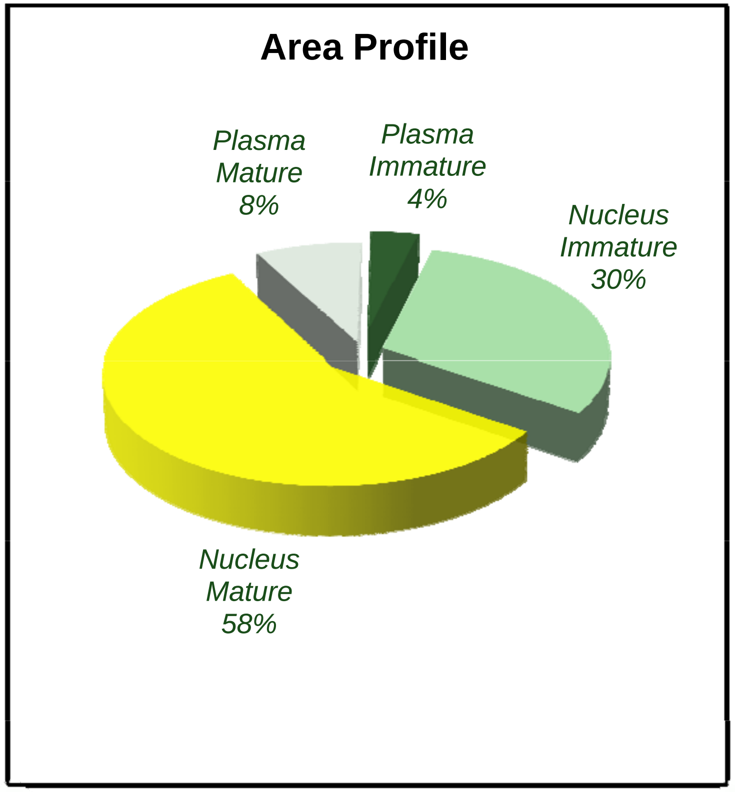
CPO Extraction Rate



Plantation Area Statistics as at 31 Dec 2008

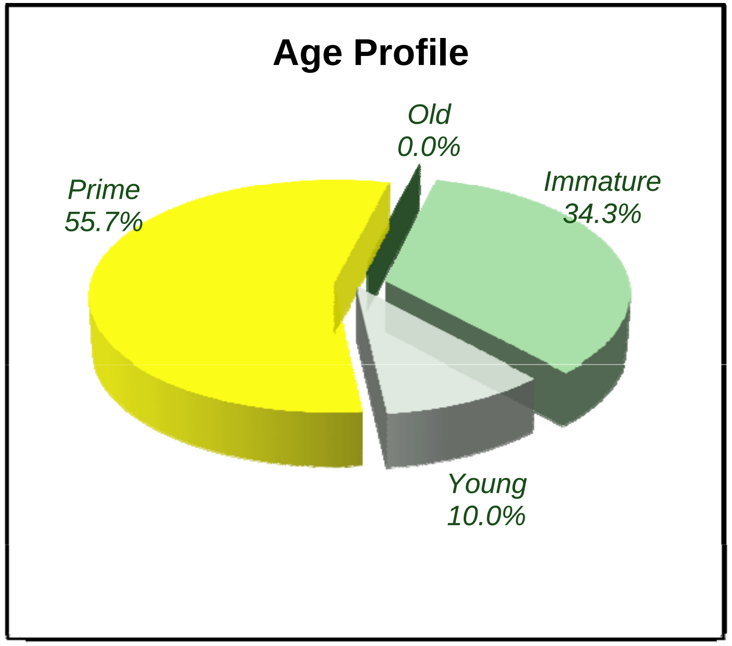
8,887 new hectares added in FY2008

Description	Area (ha)	% of Total Planted
Planted Nucleus	**84,076**	**88.3%**
Mature	54,915	57.7%
Immature	29,161	30.6%
Planted Plasma	**11,165**	**11.7%**
Mature	7,701	8.1%
Immature	3,464	3.6%
Total Planted	**95,241**	**100.0%**
Mature	62,616	65.7%
Immature	32,625	34.3%



Plantation Maturity Profile as at 31 Dec 2008

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	**95,241**	**100.0%**



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

Outlook, Strategy & Company Updates

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

Company Updates

- **2009 Capital Expenditure (Capex)**
  - New planting target of 8,000-12,000 hectares; continual reviews through FY2009 to balance between maintaining sufficient liquidity and achieving growth targets
  - Continue maintenance programme of immature plantations
  - Minimal expenditure on non-plantation-related items, such as mills
  - Planned capex (aggregate of expenditure on infrastructure, immature plantations, maintenance of existing mills) to be significantly lower than in FY2008

- **Biodiesel Plant Update**
  - Will be operated only if economically viable; otherwise Group to continue sales of CPO
  - Will explore alternative uses of plant should biodiesel production be unprofitable

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