

NEWS RELEASE

First Resources achieves 1H2014 net profit of US\$71.1 million

- Production growth achieved due to increase in mature hectarage and yield recovery
- Higher sales volumes by Refinery and Processing business driven by expanded processing capacity
- Sales affected by lower average selling prices of crude palm oil and its refined products
- Declares interim dividend of 1.25 Singapore cents per share

FINANCIAL HIGHLIGHTS

US\$' million	1H2014	1H2013	Change (%)
Sales	290.1	294.3	(1.4)
Gross Profit	135.7	176.7	(23.2)
EBITDA ⁽¹⁾	125.7	156.8	(19.8)
Net Profit ⁽²⁾	71.1	101.3	(29.8)

(1) Profit from operations adjusted for depreciation and amortisation

(2) Profit attributable to shareholders

Singapore, 13 August 2014 – First Resources Limited (“First Resources” or the “Group”), today reported a modest set of results for the six months ended 30 June 2014 (“1H2014”) in light of weaker selling prices.

At half time, sales held steady at US\$290.1 million, while EBITDA declined 19.8% and net profit fell 29.8% to US\$125.7 million and US\$71.1 million respectively as compared to the six months ended 30 June 2013 (“1H2013”). The decline was also partially due to the strong 1H2013 performance, which was boosted by higher average selling prices from realisation of forward sales.

First Resources’ financial position as at 30 June 2014 remained strong, evidenced by a low leverage ratio (net debt over equity) of 0.27 times and healthy cash and bank balances of US\$211.4 million.

Commenting on the results, Mr. Ciliandra Fangiono, CEO of First Resources said, “The decline in profit from operations was mainly due to the lower average selling prices of crude palm oil (“CPO”) and its refined products. However, the impact of lower selling prices was partially mitigated by higher sales volumes, which was driven by the expansion of our processing capacity. The overall

effect is a set of modest results that has enabled us to declare an interim dividend of 1.25 Singapore cents per share.”

In the first half of the year, the Group accomplished continued production growth with a 9.8% increase in harvested fresh fruit bunches while CPO production grew by 10.1%. However, overall yields continued to be impacted by the dilutive effects from newly mature plantations and lower yields from plantations that were recently acquired.

Production is expected to improve in the second half of the year, in line with the traditional production up-cycle that usually takes place in the third and fourth quarters. The Group’s production growth over the forthcoming years will also be enhanced by continual yield improvements in newly acquired assets as a result of our rehabilitation programme.

Looking ahead, Mr. Fangiono said, “Despite short-term weakness in prices due to slower growth in demand and price pressures from other competing edible oils, the long-term fundamentals of the palm oil industry remains favourable, supported by Indonesia’s mandatory biodiesel policy as well as demand growth from emerging markets.”

In keeping with its five-year strategy of organic growth, the Group will continue to focus on expanding its plantation footprint and milling capacity. In 1H2014, the Group achieved 13,325 hectares of new oil palms, increasing its total planted area under management to 183,921 hectares.

About First Resources Limited

First Resources Limited is one of the fastest-growing palm oil producers in Asia Pacific. Established in 1992, the Group has grown its plantations under management at a rapid pace to more than 180,000 hectares and currently operates 12 palm oil mills in 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 refines its CPO into value-added products such as olein and biodiesel. Its plantations, mills and processing plants are strategically located in Indonesia.

First Resources' disciplined planting programme has resulted in a young plantation age profile, which currently averages eight years. This age profile positions the Group well for strong production growth over the next five years. With access to a sizeable area of unplanted land bank, the Group has further room to expand its plantation footprint. It aims to enlarge its plantation hectareage and grow its CPO production to one million tonnes per annum.

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

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