

**For immediate release**

**PT Fajar Surya Wisesa Tbk announces 1<sup>st</sup> Quarter 2010 results**

**FINANCIAL HIGHLIGHTS**

In billion Rp except ratio and per share data	<u>2009 (A)</u>	<u>1Q 2009</u>	<u>1Q 2010</u>	<u>Δ</u>
Sales Revenue	2,733	649	831	28%
Operating Profit	425	26	155	496%
Net Income(Loss)	277	(59)	111	288%
EBITDA	570	64	191	198%
Basic Earnings Per Share (Rp)	112	(24)	45	
EBITDA Margin (%)	21%	10%	23%	
Net Debt/LTM EBITDA	2.6	3.6	1.6	
LTM EBITDA/Interest	3.3	3.2	4.3	

**Jakarta, April 27, 2010**

PT Fajar Surya Wisesa Tbk (The “Company”) is pleased to announce unaudited financial results of the Company and its subsidiary for the three months ended 31<sup>st</sup> March 2010 (the “Period”). Sales revenue for the Period increased by 28% to Rp 831 billion from Rp 649 billion in the same period last year, while sales volume decreased by 5.5% to 186,910 tonnes from 197,710 tonnes. The increase in sales revenue was due to 35% higher Average Selling Price (“ASP”). ASP increasing to Rp 4,443/kg compared with Rp 3,283/kg for same period during the previous year

Operating Profit improved 496% from Rp 26 billion to Rp 155 billion for the Period, the result of the increased ASP and control over production and operating costs. EBITDA for the Period was approximately Rp 191 billion (equivalent to approximately USD 21 million) compared to Rp 64 billion (equivalent to approximately USD 6 million) for the same period last year, an 198% increase. LTM EBITDA ended 31 March 2010 was Rp 697 billion (equivalent to USD 76 million).

Production facilities were operating at full capacity for 1<sup>st</sup> Quarter 2010 generating 181,924 tonnes and FajarPaper targets production volume for 2010 to reach approximately 720,000 tonnes with total sales of approximately 730,000 tonnes for the year.

The Company’s fifth paper machine (the “PM#5”) with a capacity of 300,000 tpa is under construction and targeted for completion by first quarter 2011, raising total installed capacity to 1 million tpa. About 45% of the building is already completed and components have begun to arrive from various suppliers this month. A total of 85% of the project cost of USD 85 million has been contracted to various top-name suppliers and the project is on budget.

With increasing production capacity and FajarPaper's commitment to the environment and energy conservation, the Company is constructing a second incinerator with a total burning capacity of 150 dry ton per day for burning sludge and solid waste removed from incoming waste paper. This facility will be in addition to an existing incinerator with a capacity of 95 dry ton per day. Both waste incinerators are design to generate steam which is then used in the paper making process and help to reduce energy costs. The new incinerator is targeted for completion by mid 2011.

Mr. Yustinus Kusumah, marketing director of FajarPaper commented on the business outlook, "In 2009, the Company proved capable of weathering the global economic crisis and posted solid earnings. The strong performance was driven by continued growth in Indonesian economy in general, and specifically domestic consumer goods consumption. Indonesian government forecasts of 5.8% GDP growth in 2010, an increase from 4.5% last year, represent an expected improvement in both consumer and business confidence. A number of FajarPaper's customers have been adding extra capacity since last year and this expansion trend continues among box-makers/converters. We also observe in several industries that a number of overseas companies are relocating their manufacturing facilities to Indonesia including footwear, electronics and garments. These developments indicate strong business confidence in the Indonesian economy."

Mr. Kusumah added, "We realize the new PM#5 represents a challenge, but with the support of our existing loyal customers and the marketing expertise of our sales team, we are confident we will be able to sell the additional capacity throughput. We estimate that 30% of PM#5 output will initially be exported to our existing export markets and with the completion of expansion plans among our existing domestic customers, domestic demand will also absorb the increase."

To respond to the increasing domestic demand for packaging paper, the Company is contemplating modification of two of its existing paper machines, namely: PM#2 and PM#7 in order to increase their capacity, quality and cost efficiency. This modification is planned for mid to end of year 2011. This modification is expected to boost the Company's total capacity by approximately 200,000 tpa to 1.2 million tpa by year-end 2011.

Ends.

**PT Fajar Surya Wisesa Tbk**

PT Fajar Surya Wisesa Tbk is a leading packaging paper producer in Indonesia with manufacturing facilities in Cikarang Barat-West Java. Products manufactured include coated duplex board, linerboard and corrugated medium paper. Total current installed capacity is 700,000 tpa. The primary raw material used in production is recycled paper. The Company has been listed on the Indonesia Stock Exchange (FASW.JK) since 1994.

<http://www.fajarpaper.com>