



February 22nd 2007

To:
Afdhal Mahyuddin
Eyes on the Forest Editor

Re: Eyes on the Forest September and October 2006 Reports

Dear Afdhal,

Thank you for submitting the draft reports for our review. Examining the reports we note that Eyes on the Forest continues to miss some very key points, particularly with regards to legal compliance and our HCVF commitment.

APRIL stays firm with its policy to manage its wood supply with strict legal compliance and observance of its voluntary commitment not to source fiber from and to protect High Conservation Value Forests.

Both Triomas and National Timber concessions are being developed as part of our macro level plan to protect Kampar Peninsula, its flora and fauna and its deep upstream peat areas. This strategy developed and proposed by APRIL in mid 2004 is very similar to the conservation strategies proposed by Jikalahari in 2005 and WWF in 2006.

On both concessions the moratorium on operation was called pending the legal verification and dispensation processes. In both operations the activities were restarted only upon receiving this dispensation.

On both concessions the HCVF assessments have been carried out prior to starting any operations. On both concessions 70% of the gross area has been designated as HCVF, mainly to protect the upstream deep peat areas as required by the Indonesian laws. This represents an area 3.5 times greater than required for legal compliance. On both concessions the HCVF assessments have been submitted for WWF review and are available upon requests for any third party review.

It untrue to claim that APRIL, working with its joint venture partners on these concessions, is not in full legal compliance and working in line with its voluntary commitment to protect HCVs in the Kampar region.

Eyes on the Forest report also fails to report that the SK 101/2004 exempts pulp and paper industry company – after carrying out appropriate micro and macro planning as APRIL is doing – from the volume limitations stated in the basic forest law.

Yours sincerely,

A handwritten signature in black ink, appearing to be "Jouko Virta". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jouko Virta
President
APRIL Global Fiber Supply