

Item 1. Financial Statements.

The following sets forth our unaudited consolidated balance sheet as at March 31, 2009 and our audited consolidated balance sheet as at December 31, 2008, and the unaudited consolidated statements of operations and comprehensive income and statements of cash flow for the three-month periods ended March 31, 2009 and March 31, 2008.

FutureFuel Corp.
Consolidated Balance Sheets
As at March 31, 2009 and December 31, 2008
(Dollars in thousands)

	(Unaudited) March 31, 2009	December 31, 2008
Assets		
Cash and cash equivalents	\$ 57,274	\$ 27,455
Accounts receivable, net of allowances of \$4	18,919	20,048
Inventory	30,836	27,585
Income taxes receivable	-	792
Prepaid expenses	1,211	1,294
Marketable debt and auction rate securities	13,238	46,411
Other current assets	1,164	4,751
Total current assets	<u>122,642</u>	<u>128,336</u>
Property, plant and equipment, net	114,008	106,320
Intangible assets	293	321
Other assets	2,897	3,149
Total noncurrent assets	<u>117,198</u>	<u>109,790</u>
Total Assets	<u>\$ 239,840</u>	<u>\$ 238,126</u>
Liabilities and Stockholders' Equity		
Accounts payable	\$ 11,260	\$ 13,332
Accounts payable - related parties	-	422
Income taxes payable	484	-
Current deferred income tax liability	4,278	4,151
Short term contingent consideration	1,889	1,936
Accrued expenses and other current liabilities	2,898	2,251
Accrued expenses and other current liabilities - related parties	20	20
Total current liabilities	<u>20,829</u>	<u>22,112</u>
Deferred revenue	9,859	9,994
Other noncurrent liabilities	1,330	1,243
Noncurrent deferred income tax liability	23,379	23,140
Total noncurrent liabilities	<u>34,568</u>	<u>34,377</u>
Total Liabilities	<u>55,397</u>	<u>56,489</u>
Commitments and contingencies		
Preferred stock, \$0.0001 par value, 5,000,000 shares authorized, none issued and outstanding	-	-
Common stock, \$0.0001 par value, 75,000,000 shares authorized, 28,190,300 issued and outstanding	3	3
Accumulated other comprehensive income	-	15
Additional paid in capital	167,524	167,524
Retained earnings	16,916	14,095
Total stockholders' equity	<u>184,443</u>	<u>181,637</u>
Total Liabilities and Stockholders' Equity	<u>\$ 239,840</u>	<u>\$ 238,126</u>

The accompanying notes are an integral part of these financial statements.

FutureFuel Corp.
Consolidated Statements of Operations and Comprehensive Income
For the Three Months Ended March 31, 2009 and 2008
(Dollars in thousands, except per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2009	2008
Revenues	\$ 38,845	\$ 43,220
Revenues – related parties	892	-
Cost of goods sold	30,472	31,212
Cost of goods sold – related parties	1,903	736
Distribution	1,007	690
Gross profit	<u>6,355</u>	<u>10,582</u>
Selling, general and administrative expenses		
Compensation expense	494	438
Other expense	494	303
Related party expense	64	38
Research and development expenses	1,011	956
	<u>2,063</u>	<u>1,735</u>
Income from operations	<u>4,292</u>	<u>8,847</u>
Interest income	222	768
Interest expense	(8)	(5)
Loss on foreign currency	(3)	(130)
Other income	3	6
	<u>214</u>	<u>639</u>
Income before income taxes	4,506	9,486
Provision for income taxes	1,685	3,326
Net income	<u>\$ 2,821</u>	<u>\$ 6,160</u>
Earnings per common share		
Basic	\$ 0.10	\$ 0.23
Diluted	\$ 0.10	\$ 0.23
Weighted average shares outstanding		
Basic	28,190,300	26,700,000
Diluted	28,196,985	26,700,000
Comprehensive Income		
Net income	\$ 2,821	\$ 6,160
Other comprehensive income (loss), net of tax of \$(9) in 2009 and \$32 in 2008	(15)	53
Comprehensive income	<u>\$ 2,806</u>	<u>\$ 6,213</u>

The accompanying notes are an integral part of these financial statements.

FutureFuel Corp.
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2009 and 2008
(Dollars in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2009	2008
Cash flows provided by operating activities		
Net income	\$ 2,821	\$ 6,160
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,769	1,295
Provision for deferred income taxes	366	488
Change in fair value of derivative instruments	97	(676)
Accretion on the discount of marketable debt securities	-	(83)
Losses on disposals of fixed assets	-	1
Noncash interest expense	6	5
Changes in operating assets and liabilities:		
Accounts receivable	1,128	(3,446)
Inventory	(3,251)	(4,363)
Income taxes receivable	792	-
Prepaid expenses	83	130
Accrued interest on marketable debt securities	2	34
Other assets	253	362
Accounts payable	(2,066)	2,656
Accounts payable – related parties	(428)	(71)
Income taxes payable	484	1,330
Accrued expenses and other current liabilities	647	(450)
Deferred revenue	(135)	1,882
Other noncurrent liabilities	80	56
Net cash provided by operating activities	<u>2,648</u>	<u>5,310</u>
Cash flows from investing activities		
Restricted cash	-	(48)
Collateralization of derivative instruments	3,398	(22)
Purchase of marketable securities	-	(31,882)
Proceeds from the sale of marketable securities	15,973	10,000
Sale of auction rate securities, net	1,750	-
Proceeds from the sale of commercial paper	15,424	-
Acquisition of a granary	(1,252)	-
Contingent purchase price payment	(47)	(28)
Capital expenditures	(8,075)	(3,676)
Net cash provided by (used in) investing activities	<u>27,171</u>	<u>(25,656)</u>
Cash flows from financing activities		
Net cash provided by (used in) financing activities	-	-
Net change in cash and cash equivalents	29,819	(20,346)
Cash and cash equivalents at beginning of period	27,455	54,655
Cash and cash equivalents at end of period	<u>\$ 57,274</u>	<u>\$ 34,309</u>
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid for taxes	<u>\$ 25</u>	<u>\$ 1,450</u>

The accompanying notes are an integral part of these financial statements.

Notes to Consolidated Financial Statements of FutureFuel Corp.
(Dollars in thousands, except per share amounts)
(Unaudited)

1) Nature of operations and basis of presentation

FutureFuel Corp.

Viceroy Acquisition Corporation (“Viceroy”) was incorporated under the laws of the state of Delaware on August 12, 2005 to serve as a vehicle for the acquisition by way of asset acquisition, merger, capital stock exchange, share purchase or similar transaction of one or more operating businesses in the oil and gas industry. On July 12, 2006 Viceroy completed an equity offering.

On July 21, 2006, Viceroy entered into an acquisition agreement with Eastman Chemical Company (“Eastman Chemical”) to purchase all of the issued and outstanding stock of Eastman SE, Inc. (“Eastman SE”). On October 27, 2006, a special meeting of the shareholders of Viceroy was held and the acquisition of Eastman SE was approved by the shareholders. On October 31, 2006, Viceroy acquired all of the issued and outstanding shares of Eastman SE from Eastman Chemical. Immediately subsequent to the acquisition, Viceroy changed its name to FutureFuel Corp. (“FutureFuel”) and Eastman SE changed its name to FutureFuel Chemical Company (“FutureFuel Chemical”).

Eastman SE, Inc.

Eastman SE was incorporated under the laws of the state of Delaware on September 1, 2005 and subsequent thereto operated as a wholly-owned subsidiary of Eastman Chemical through October 31, 2006. Eastman SE was incorporated for purposes of effecting a sale of Eastman Chemical’s manufacturing facility in Batesville, Arkansas (the “Batesville Plant”). Commencing January 1, 2006, Eastman Chemical began transferring the assets associated with the business of the Batesville Plant to Eastman SE.

The Batesville Plant was constructed to produce proprietary photographic chemicals for Eastman Kodak Company (“Eastman Kodak”). Over the years, Eastman Kodak shifted the plant’s focus away from the photographic imaging business to the custom synthesis of fine chemicals and organic chemical intermediates used in a variety of end markets, including paints and coatings, plastics and polymers, pharmaceuticals, food supplements, household detergents and agricultural products.

In 2005, the Batesville Plant began the implementation of a biobased products platform. This includes the production of biofuels (biodiesel, bioethanol and lignin/biomass solid fuels) and biobased specialty chemical products (biobased solvents, chemicals and intermediates). In addition to biobased products, the Batesville Plant continues to manufacture fine chemicals and other organic chemicals.

The accompanying consolidated financial statements have been prepared by FutureFuel in accordance and consistent with the accounting policies stated in FutureFuel’s 2008 audited consolidated financial statements and should be read in conjunction with the 2008 audited consolidated financial statements of FutureFuel. Certain prior year balances have been reclassified to conform with the current year presentation.

In the opinion of FutureFuel, all normal recurring adjustments necessary for a fair presentation have been included in the unaudited consolidated financial statements. The unaudited consolidated financial statements are presented in conformity with generally accepted accounting principles in the United States and, of necessity, include some amounts that are based upon management estimates and judgments. Future actual results could differ from such current estimates. The unaudited consolidated financial statements include assets, liabilities, revenues and expenses of FutureFuel and its wholly owned subsidiary, FutureFuel Chemical. Intercompany transactions and balances have been eliminated in consolidation.

Notes to Consolidated Financial Statements of FutureFuel Corp.
(Dollars in thousands, except per share amounts)
(Unaudited)

2) Inventories

The carrying values of inventory were as follows as of:

	March 31, 2009	December 31, 2008
At first-in, first-out or average cost (approximates current cost)		
Finished goods	\$ 15,737	\$ 15,634
Work in process	1,605	1,800
Raw materials and supplies	16,531	14,833
	<u>33,873</u>	<u>32,267</u>
LIFO reserve	(3,037)	(4,682)
Total inventories	<u>\$ 30,836</u>	<u>\$ 27,585</u>

3) Derivative instruments

FutureFuel is exposed to certain risks relating to its ongoing business operations. The primary risk managed by using derivative instruments is commodity price risk. Regulated fixed price futures and option contracts are utilized to manage the price risk associated with future purchases of feedstock used in FutureFuel's biodiesel production along with physical feedstock and finished product inventories attributed to this process.

FutureFuel recognizes all derivative instruments as either assets or liabilities at fair value in its consolidated balance sheet. FutureFuel's derivative instruments do not qualify for hedge accounting under the specific guidelines of Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended. While management believes each of these instruments are entered into in order to effectively manage various risks, none of the derivative instruments are designated and accounted for as hedges primarily as a result of the extensive record keeping requirements.

The fair value of FutureFuel's derivative instruments is determined based on the closing prices of the derivative instruments on relevant commodity exchanges at the end of an accounting period. Changes in fair value of the derivative instruments are recorded in the statement of operations as a component of cost of good sold, and amounted to a gain of \$1,473 for the three months ended March 31, 2009.

The volumes and carrying values of FutureFuel's derivative instruments were as follows at:

	Asset/(Liability)			
	March 31, 2009		December 31, 2008	
	Quantity (Contracts)	Fair Market Value	Quantity (Contracts)	Fair Market Value
	Long/ (Short)		Long/ (Short)	
Regulated fixed price future commitments, included in prepaid expenses and other current assets	16	\$ (676)	-	\$ -
Regulated options, included in prepaid expenses and other current assets	(500)	\$ (2,587)	(875)	\$ (3,175)

The margin account maintained with a broker to collateralize these derivative instruments carried an account balance of \$4,427 and \$7,826 at March 31, 2009 and December 31, 2008, respectively, and is classified as other current assets in the consolidated balance sheet. The carrying values of the margin account and of the derivative instruments are included, net, in other current assets.

Notes to Consolidated Financial Statements of FutureFuel Corp.
(Dollars in thousands, except per share amounts)
(Unaudited)

4) **Marketable debt securities**

As of December 31, 2008, FutureFuel had made investments in certain U.S. treasury bills and notes. As of December 31, 2008, these marketable debt securities had maturities ranging from January 2009 to March 2009. FutureFuel anticipated these securities being sold or maturing within one year and therefore classified all marketable debt securities as current assets in the accompanying consolidated balance sheet. FutureFuel designated these securities as being available-for-sale. Accordingly, these securities were carried at fair value, with the unrealized gains and losses, net of taxes, reported as a component of stockholders' equity. At March 31, 2009 no such securities were held.

The fair market value of these marketable debt securities, including accrued interest, totaled \$15,999 at December 31, 2008.

Additionally, FutureFuel has made investments in certain auction rate securities. As of March 31, 2009, these securities had maturities ranging from June 2028 to July 2042. FutureFuel classified these instruments as current assets in the accompanying consolidated balance sheets as the issuers of these instruments have either exercised their right to repurchase or a liquid market still exists for these securities, which allows FutureFuel to exit its positions within a short period of time. FutureFuel anticipates these securities either being sold or repurchased within the next year. FutureFuel has designated these securities as being available-for-sale. Accordingly, these securities are carried at fair value, with unrealized gains and losses, net of taxes, reported as a component of stockholders' equity. No realized gains or losses have been incurred related to these securities through March 31, 2009.

The fair market value of these auction rate securities approximated their par value and, including accrued interest, totaled \$13,238 and \$14,990 at March 31, 2009 and December 31, 2008, respectively.

At December 31, 2008, FutureFuel had investments in certain commercial paper. These investments had maturity dates ranging from January 2009 to March 2009 and have been classified as current assets in the accompanying consolidated balance sheet. FutureFuel has designated these securities as being available for sale. Accordingly, they are recorded at fair value, with the unrealized gains and losses, net of taxes, reported as a component of stockholders' equity. At March 31, 2009 no such investments were held.

The fair value of these investments, including accrued interest, totaled \$15,422 at December 31, 2008.

5) **Accrued expenses and other current liabilities**

Accrued expenses and other current liabilities, including those associated with related parties, consisted of the following at:

	March 31, 2009	December 31, 2008
Accrued employee liabilities	\$ 1,600	\$ 1,248
Accrued property, use and franchise taxes	1,263	975
Other	55	48
Total	\$ 2,918	\$ 2,271

6) **Borrowings**

In March 2007 FutureFuel Chemical entered into a \$50 million credit agreement with a commercial bank. The loan is a revolving facility the proceeds of which may be used for working capital, capital expenditures and the general corporate purposes of FutureFuel Chemical. The facility terminates in March 2010. Advances are made pursuant to a borrowing base comprised of 85% of eligible accounts plus 60% of eligible direct inventory plus 50% of eligible indirect inventory. Advances are secured by a perfected first priority security interest in accounts receivable and inventory. The interest rate floats at certain margins over the London Interbank Offered Rate ("LIBOR") or base rate based upon the leverage ratio from time to time as set forth in the following table.

Notes to Consolidated Financial Statements of FutureFuel Corp.
(Dollars in thousands, except per share amounts)
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Leverage Ratio	Base Rate Margin	LIBOR Margin
> 3	-0.55%	1.70%
≥ 2 < 3	-0.70%	1.55%
≥ 1 < 2	-0.85%	1.40%
< 1	-1.00%	1.25%

There is an unused commitment fee of 0.25% per annum. The ratio of EBITDA to fixed charges may not be less than 3:1. FutureFuel has guaranteed FutureFuel Chemical's obligations under this credit agreement.

At March 31, 2009, no borrowings were outstanding under this credit facility.

7) Provision for income taxes

	For the three months ended March 31,	
	2009	2008
Provision for income taxes	\$ 1,685	\$ 3,326
Effective tax rate	37.4%	35.1%

The effective tax rates for the three months ended March 31, 2009 and 2008 reflect FutureFuel's expected tax rate on reported operating earnings before income tax.

FutureFuel's unrecognized tax benefits, recorded as an element of other noncurrent liabilities, totaled \$559 at March 31, 2009 and December 31, 2008, respectively, the total amount of which, if recognized, would reduce FutureFuel's effective tax rate.

FutureFuel does not expect its unrecognized tax benefits to change significantly over the next 12 months.

FutureFuel records interest and penalties net as a component of income tax expense. FutureFuel had accrued a balance of \$107 and \$96 at March 31, 2009 and December 31, 2008, respectively, for interest or tax penalties.

FutureFuel and its subsidiary, FutureFuel Chemical, file tax returns in the U.S. federal jurisdiction and with various state jurisdictions. FutureFuel was incorporated in 2005 and is subject to U.S., state and local examinations by tax authorities from 2005 forward. FutureFuel Chemical is subject to the effects of tax examinations that may impact the carry-over basis of its assets and liabilities.

8) Earnings per share

The computation of basic and diluted earnings per common share was as follows:

	March 31, 2009	March 31, 2008
Net income available to common stockholders	\$ 2,821	\$ 6,160
Weighted average number of common shares outstanding	28,190,300	26,700,000
Effect of warrants	-	-
Effect of stock options	6,685	-
Weighted average diluted number of common shares outstanding	28,196,985	26,700,000
Basic earnings per share	\$ 0.10	\$ 0.23
Diluted earnings per share	\$ 0.10	\$ 0.23

Warrants to purchase 21,317,500 and 22,500,000 shares of FutureFuel's common stock were not included in the computation of diluted earnings per share at March 31, 2009 and 2008, respectively, as they were

Notes to Consolidated Financial Statements of FutureFuel Corp.
(Dollars in thousands, except per share amounts)
(Unaudited)

anti-dilutive in both periods presented. Additionally, options to purchase 105,000 shares of FutureFuel's common stock were not included in the computation of diluted earnings per share at March 31, 2009. No options were excluded from the computation of diluted earnings per share at March 31, 2008 as no options were outstanding at that time.

9) Segment information

FutureFuel has determined that it has two reportable segments organized along product lines – chemicals and biofuels.

Chemicals

FutureFuel's chemicals segment manufactures diversified chemical products that are sold externally to third party customers. This segment comprises two components: "custom manufacturing" (manufacturing chemicals for specific customers); and "performance chemicals" (multi-customer specialty chemicals).

Biofuels

FutureFuel's biofuels business segment manufactures and markets biodiesel. Revenues are generated through the production and sale of biodiesel to customers through FutureFuel's distribution network at the Batesville Plant and through distribution facilities available at leased oil storage facilities at negotiated prices.

Summary of long-lived assets and revenues by geographic area

All of FutureFuel's long-lived assets are located in the U.S.

Most of FutureFuel's sales are transacted with title passing at the time of shipment from the Batesville Plant, although some sales are transacted based on title passing at the delivery point. While many of FutureFuel's chemicals are utilized to manufacture products that are shipped, further processed and/or consumed throughout the world, the chemical products, with limited exceptions, generally leave the United States only after ownership has transferred from FutureFuel to the customer. Rarely is FutureFuel the exporter of record, never is FutureFuel the importer of record into foreign countries and FutureFuel is not always aware of the exact quantities of its products that are moved into foreign markets by its customers. FutureFuel does track the addresses of its customers for invoicing purposes and uses this address to determine whether a particular sale is within or without the United States. FutureFuel's revenues attributable to the United States and foreign countries (based upon the billing addresses of its customers) were as follows:

<u>Three Months Ended</u>	<u>United States</u>	<u>All Foreign Countries</u>	<u>Total</u>
March 31, 2009	\$ 35,853	\$ 3,884	\$ 39,737
March 31, 2008	\$ 36,405	\$ 6,815	\$ 43,220

For the three months ended March 31, 2009 and 2008, revenues from Mexico accounted for 8% and 11%, respectively, of total revenues. For the three months ended March 31, 2009 and 2008, revenues from Canada accounted for 0% and 4%, respectively, of total revenues. Other than Mexico and Canada, revenues from a single foreign country during the three months ended March 31, 2009 and 2008 did not exceed 1% of total revenues.

Notes to Consolidated Financial Statements of FutureFuel Corp.
(Dollars in thousands, except per share amounts)
(Unaudited)

Summary of business by segment

	March 31, 2009	March 31, 2008
Revenues		
Chemicals	\$ 35,860	\$ 38,716
Biofuels	3,877	4,504
Revenues	<u>39,737</u>	<u>\$ 43,220</u>
Segment gross margins		
Chemicals	7,375	\$ 8,440
Biofuels	(1,020)	2,142
Segment gross margins	<u>6,355</u>	<u>10,582</u>
Corporate expenses	(2,063)	(1,735)
Income before interest and taxes	4,292	8,847
Interest and other income	225	774
Interest and other expense	(11)	(135)
Provision for income taxes	(1,685)	(3,326)
Net income	<u>\$ 2,821</u>	<u>\$ 6,160</u>

Depreciation is allocated to segment costs of goods sold based on plant usage. The total assets and capital expenditures of FutureFuel have not been allocated to individual segments as large portions of these assets are shared to varying degrees by each segment, causing such an allocation to be of little value.

Gross margin for the biodiesel segment for 2008 was favorably impacted by the receipt of \$2,000 from the State of Arkansas resulting from our biodiesel operating cost grant application under the Arkansas Alternative Fuels Development Program. This funding was attributable to our biodiesel production between January 1, 2007 and December 31, 2007 and was calculated as \$0.20 per gallon of biodiesel produced, capped at \$2,000. The next period for funding under this program opened on July 1, 2008 and will close on June 30, 2009. FutureFuel has applied for maximum funding under this program for biodiesel production during this period but has not yet received funding from the State of Arkansas. Based on the characteristics of the Arkansas Alternative Fuels Development Program and the State funding behind this program, we recognize income in the period funding is received.

10) Fair value measurements

FutureFuel adopted Statement of Financial Accounting Standards ("SFAS") No. 157, *Fair Value Measurements*, effective January 1, 2008. Under SFAS No. 157, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. SFAS No. 157 also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability developed based on market data obtained from sources independent of FutureFuel. Unobservable inputs are inputs that reflect FutureFuel's assumptions about the factors market participants would use in valuing the asset or liability developed based upon the best information available in the circumstances. The hierarchy is broken down into three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Notes to Consolidated Financial Statements of FutureFuel Corp.
(Dollars in thousands, except per share amounts)
(Unaudited)

The following table provides information by level for assets and liabilities that are measured at fair value, as defined by SFAS No. 157, on a recurring basis.

<u>Description</u>	Asset/(Liability)			
	Fair Value at March 31, 2009	Fair Value Measurements Using Inputs Considered as		
		Level 1	Level 2	Level 3
Available for sale:				
Auction rate securities	\$ 13,238	\$ -	\$ 13,238	\$ -
Derivative instruments	\$ (3,263)	\$ (3,263)	\$ -	\$ -

11) Recently issued accounting standards

In April 2009, the Financial Accounting Standards Board (“FASB”) issued FASB Staff Position (“FSP”) FAS 157-4, “Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly” (“FSP FAS 157-4”), to address challenges in estimating fair value when the volume and level of activity for an asset or liability have significantly decreased. This FSP emphasizes that even if there has been a significant decrease in the volume and level of activity for the asset or liability and regardless of the valuation technique(s) used, the objective of a fair value measurement remains the same. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. This FSP is effective for interim and annual reporting periods ending after June 15, 2009. FutureFuel does not believe that FSP FAS 157-4 will have an impact on its consolidated financial statements upon adoption.

In April 2009, the FASB issued FSP FAS 115-2 and 124-2, “Recognition and Presentation of Other-Than-Temporary Impairments” (“FSP FAS 115-2 and 124-2”). This FSP amends the other-than-temporary impairment guidance in U.S. GAAP for debt securities to make the guidance more operational and to improve the presentation and disclosure of other-than-temporary impairments on debt and equity securities in the financial statements. This FSP does not amend existing recognition and measurement guidance related to other-than-temporary impairments of equity securities. This FSP is effective for interim and annual reporting periods ending after June 15, 2009. FutureFuel does not believe that FSP FAS 115-2 and 124-2 will have an impact on its disclosures upon adoption.

In April 2009, the FASB issued FSP FAS 107-1 and ABP 28-1, “Interim Disclosure about Fair Value of Financial Instruments” (“FSP FAS 107-1 and ABP 28-1”). This FSP amends FASB Statement No. 107, “Disclosures about Fair Value of Financial Instruments,” to require disclosures about fair value of financial instruments for interim reporting periods of publicly traded companies as well as in annual financial statements. This FSP also amends APB Opinion No. 28, “Interim Financial Reporting,” to require those disclosures in summarized financial information at interim reporting periods. This FSP is effective for interim reporting periods ending after June 15, 2009. FutureFuel does not believe that FSP FAS 107-1 and ABP 28-1 will have a material impact on its consolidated financial statements upon adoption.

12) Formation of FFC Grain, LLC and Acquisition of a Granary

On March 12, 2009 FutureFuel Chemical, through its newly created subsidiary FFC Grain, LLC, purchased the assets of a granary in Marianna, Arkansas for \$1,252. These assets include approximately 1.5 million bushels of storage capacity for grains harvested in the region (typically soybeans, rice, corn and wheat) and associated elevators, legs, scales and administrative buildings. These assets were in operating use at the time of the acquisition, though no physical inventory was acquired in the transaction. FutureFuel Chemical’s strategy in relation to the acquired assets is to leave them in operating service for the near term, and to possibly leverage the assets for growth as we seek to diversify our business over the long term. We do not anticipate the operation of these assets to have a material impact on our financial condition.