



**IOI GROUP**

**IOI CORPORATION BERHAD** (9027-W)  
(Incorporated in Malaysia)

**Interim Report  
For The Financial Period Ended  
30 June 2015**

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement of Profit or Loss**

|   | INDIVIDUAL QUARTER (Q4) |                                      | CUMULATIVE QUARTER (12 Mths) |                                     |
|---|-------------------------|--------------------------------------|------------------------------|-------------------------------------|
|   | CURRENT YEAR QUARTER    | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE         | PRECEDING YEAR CORRESPONDING PERIOD |
|   | 30/06/15<br>RM'Million  | 30/06/14<br>RM'Million               | 30/06/15<br>RM'Million       | 30/06/14<br>RM'Million              |
| <b>CONTINUING OPERATIONS</b>  |                         |                                      |                              |                                     |
| Revenue   | 2,942.0                 | 2,831.4                              | 11,621.0                     | 11,910.6                            |
| <b>Operating profit</b>   | <b>304.6</b>            | 385.4                                | <b>1,347.2</b>               | 1,800.4                             |
| Share of results of associates  | 31.1                    | 27.8                                 | 119.1                        | 127.8                               |
| Share of results of a joint venture   | (1.3)                   | -                                    | (5.8)                        | (0.8)                               |
| <b>Profit before interest and taxation</b>  | <b>334.4</b>            | 413.2                                | <b>1,460.5</b>               | 1,927.4                             |
| Interest income   | 2.7                     | 4.6                                  | 13.4                         | 47.8                                |
| Finance costs   | (57.0)                  | (68.7)                               | (281.6)                      | (282.4)                             |
| Net foreign currency translation (loss)/gain on foreign currency denominated borrowings | (76.8)                  | 83.9                                 | (735.3)                      | (22.0)                              |
| <b>Profit before taxation</b>   | <b>203.3</b>            | 433.0                                | <b>457.0</b>                 | 1,670.8                             |
| Taxation  | (47.6)                  | (82.7)                               | (284.6)                      | (408.4)                             |
| <b>Profit from continuing operations</b>  | <b>155.7</b>            | 350.3                                | <b>172.4</b>                 | 1,262.4                             |
| <b>DISCONTINUED OPERATIONS</b>  |                         |                                      |                              |                                     |
| Profit after taxation of discontinued operations  | -                       | -                                    | -                            | 240.1                               |
| Net gain arising from Demerger Exercise   | -                       | 52.4                                 | -                            | 1,887.2                             |
|   | -                       | 52.4                                 | -                            | 2,127.3                             |
| <b>Profit for the period</b>  | <b>155.7</b>            | 402.7                                | <b>172.4</b>                 | 3,389.7                             |
| <b>Attributable to owners of the parent</b>   |                         |                                      |                              |                                     |
| From continuing operations  | 159.7                   | 355.1                                | 168.1                        | 1,254.6                             |
| From discontinued operations  | -                       | 52.4                                 | -                            | 2,118.4                             |
|   | 159.7                   | 407.5                                | 168.1                        | 3,373.0                             |
| <b>Attributable to non-controlling interests</b>  |                         |                                      |                              |                                     |
|   | (4.0)                   | (4.8)                                | 4.3                          | 16.7                                |
|   | 155.7                   | 402.7                                | 172.4                        | 3,389.7                             |

(The condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement of Profit or Loss (Continued)**

|   | INDIVIDUAL QUARTER (Q4) |                                      | CUMULATIVE QUARTER (12 Mths) |                                     |
|---|-------------------------|--------------------------------------|------------------------------|-------------------------------------|
|   | CURRENT YEAR QUARTER    | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE         | PRECEDING YEAR CORRESPONDING PERIOD |
|   | 30/06/15                | 30/06/14                             | 30/06/15                     | 30/06/14                            |
|   | RM'Million              | RM'Million                           | RM'Million                   | RM'Million                          |
| <b>Earnings per share for profit attributable to owners of the parent (sen)</b> |                         |                                      |                              |                                     |
| <b>Basic earnings per share</b>   |                         |                                      |                              |                                     |
| From continuing operations  | 2.52                    | 5.59                                 | 2.64                         | 19.69                               |
| From discontinued operations  | -                       | 0.83                                 | -                            | 33.24                               |
| <b>Total</b>  | <b>2.52</b>             | <b>6.42</b>                          | <b>2.64</b>                  | <b>52.93</b>                        |
| <b>Diluted earnings per share</b>   |                         |                                      |                              |                                     |
| From continuing operations  | 2.51                    | 5.58                                 | 2.64                         | 19.64                               |
| From discontinued operations  | -                       | 0.82                                 | -                            | 33.16                               |
| <b>Total</b>  | <b>2.51</b>             | <b>6.40</b>                          | <b>2.64</b>                  | <b>52.80</b>                        |

(The condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement of Other Comprehensive Income**

|  | INDIVIDUAL QUARTER (Q4) |                                      | CUMULATIVE QUARTER (12 Mths) |                                     |
|--|-------------------------|--------------------------------------|------------------------------|-------------------------------------|
|  | CURRENT YEAR QUARTER    | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE         | PRECEDING YEAR CORRESPONDING PERIOD |
|  | 30/06/15<br>RM'Million  | 30/06/14<br>RM'Million               | 30/06/15<br>RM'Million       | 30/06/14<br>RM'Million              |
| <b>Profit for the period</b>   | <b>155.7</b>            | <b>402.7</b>                         | <b>172.4</b>                 | <b>3,389.7</b>                      |
| <b>Other comprehensive (loss)/income that will not be reclassified subsequently to profit or loss</b>                              |                         |                                      |                              |                                     |
| Actuarial (loss)/gain on defined benefit obligation  | (15.2)                  | 0.6                                  | (15.2)                       | 0.6                                 |
|  | (15.2)                  | 0.6                                  | (15.2)                       | 0.6                                 |
| <b>Other comprehensive income/(loss) that will be reclassified subsequently to profit or loss when specific conditions are met</b> |                         |                                      |                              |                                     |
| Exchange differences on translation of foreign operations  | 68.4                    | (38.5)                               | 88.2                         | 177.1                               |
| Share of other comprehensive (loss)/income of associates   | (4.2)                   | (4.2)                                | (20.9)                       | 7.0                                 |
|  | 64.2                    | (42.7)                               | 67.3                         | 184.1                               |
| <b>Other comprehensive income/(loss) for the period</b>  | <b>49.0</b>             | <b>(42.1)</b>                        | <b>52.1</b>                  | <b>184.7</b>                        |
| <b>Total comprehensive income for the period, net of tax</b>   | <b>204.7</b>            | <b>360.6</b>                         | <b>224.5</b>                 | <b>3,574.4</b>                      |
| <b>Total comprehensive income/(loss) attributable to:</b>  |                         |                                      |                              |                                     |
| Owners of the parent   | 208.6                   | 360.9                                | 221.7                        | 3,555.2                             |
| Non-controlling interests  | (3.9)                   | (0.3)                                | 2.8                          | 19.2                                |
|  | 204.7                   | 360.6                                | 224.5                        | 3,574.4                             |

(The condensed consolidated statement of other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position**

|                                      | AS AT<br>END OF<br>CURRENT<br>QUARTER<br>30/06/15<br>RM'Million | AS AT<br>PRECEDING<br>FINANCIAL<br>YEAR END<br>30/06/14<br>RM'Million |
|--------------------------------------|---|---|
| <b>ASSETS</b>                        |   |   |
| <b>Non-current assets</b>            |   |   |
| Property, plant and equipment        | 6,649.8   | 6,410.0   |
| Prepaid lease payments               | 32.5  | 30.1  |
| Investment properties                | 7.7   | 8.3   |
| Goodwill on consolidation            | 458.4   | 458.4   |
| Investments in associates            | 939.1   | 886.9   |
| Interests in a joint venture         | 35.2  | 33.0  |
| Derivative assets                    | 138.7   | 75.1  |
| Deferred tax assets                  | 46.4  | 43.8  |
|                                      | <b>8,307.8</b>  | <b>7,945.6</b>  |
| <b>Current assets</b>                |   |   |
| Inventories                          | 2,083.1   | 2,154.6   |
| Receivables                          | 1,106.2   | 1,101.6   |
| Derivative assets                    | 41.1  | 61.4  |
| Other investments                    | 107.2   | 80.7  |
| Short term funds                     | 1,088.9   | 3,450.0   |
| Deposits with financial institutions | 221.4   | 186.8   |
| Cash and bank balances               | 478.2   | 350.9   |
|                                      | <b>5,126.1</b>  | <b>7,386.0</b>  |
| <b>TOTAL ASSETS</b>                  | <b>13,433.9</b>   | <b>15,331.6</b>   |

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position (Continued)**

|   | AS AT<br>END OF<br>CURRENT<br>QUARTER<br><br>30/06/15<br>RM'Million | AS AT<br>PRECEDING<br>FINANCIAL<br>YEAR END<br><br>30/06/14<br>RM'Million |
|---|---|---|
| <b>EQUITY AND LIABILITIES</b>   |   |   |
| <b>Equity attributable to owners of the parent</b>                    |   |   |
| Share capital   | 645.9   | 645.0   |
| Share premium   | 64.4  | 27.6  |
| Other reserves  | (41.2)  | (101.4)   |
| Treasury shares   | (620.2)   | (441.0)   |
| Retained earnings   | 5,010.2   | 5,906.6   |
|   | <u>5,059.1</u>  | <u>6,036.8</u>  |
| <b>Non-controlling interests</b>                                      | <b>189.3</b>  | <b>196.3</b>  |
| <b>Total equity</b>   | <b><u>5,248.4</u></b>   | <b><u>6,233.1</u></b>   |
| <b>Non-current liabilities</b>  |   |   |
| Borrowings  | 5,835.9   | 5,069.2   |
| Derivative liabilities  | 29.9  | 44.8  |
| Other long term liabilities   | 29.4  | 36.3  |
| Deferred tax liabilities  | 425.0   | 451.4   |
|   | <u>6,320.2</u>  | <u>5,601.7</u>  |
| <b>Current liabilities</b>  |   |   |
| Payables  | 924.5   | 940.5   |
| Derivative liabilities  | 123.8   | 58.1  |
| Short term borrowings   | 812.5   | 2,454.3   |
| Provision for taxation  | 4.5   | 43.9  |
|   | <u>1,865.3</u>  | <u>3,496.8</u>  |
| <b>Total liabilities</b>  | <b><u>8,185.5</u></b>   | <b><u>9,098.5</u></b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                   | <b><u>13,433.9</u></b>  | <b><u>15,331.6</u></b>  |
| <b>Net assets per share attributable to owners of the parent (RM)</b> | <b>0.80</b>   | <b>0.95</b>   |

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement of Cash Flows**

|  | <b>12 Months Ended<br/>30/06/15<br/>RM'Million</b> | <b>12 Months Ended<br/>30/06/14<br/>RM'Million</b> |
|--|--|--|
| <b>Operating Activities</b>  |  |  |
| Profit before taxation   |  |  |
| From continuing operations   | 457.0  | 1,670.8  |
| From discontinued operations   | -  | 2,252.7  |
|  | <u>457.0</u>                                       | <u>3,923.5</u>                                     |
| Adjustments for:   |  |  |
| Depreciation   | 235.5  | 226.8  |
| Other non-cash items   | 945.1  | (1,834.2)  |
| Operating profit before working capital changes                                    | <u>1,637.6</u>                                     | <u>2,316.1</u>                                     |
| Decrease/(increase) in inventories   | 20.9   | (298.5)  |
| Decrease/(increase) in receivables and other assets                                | 67.8   | (255.9)  |
| Increase in payables and other liabilities   | 54.4   | 388.4  |
| Cash generated from operations   | <u>1,780.7</u>                                     | <u>2,150.1</u>                                     |
| Other payments   | (38.4)   | (29.9)   |
| Taxes paid   | (384.6)  | (451.0)  |
| <b>Net cash inflow from operating activities</b>                                   | <u><u>1,357.7</u></u>                              | <u><u>1,669.2</u></u>                              |
| <b>Investing Activities</b>  |  |  |
| Dividends received   | 134.8  | 116.2  |
| Proceeds from disposal of land from compulsory acquisition                         | 46.8   | -  |
| Other receipts   | 14.0   | 4.1  |
| Interest received  | 13.6   | 22.7   |
| Proceeds from disposal of property, plant and equipment                            | 2.2  | 6.3  |
| Proceeds from disposal of investment properties                                    | 1.6  | -  |
| Additions to prepaid lease payments  | (5.0)  | (4.8)  |
| Advances to joint ventures   | (8.0)  | (31.8)   |
| Acquisition of additional interest in associates                                   | (8.6)  | (6.3)  |
| Additions to other investments   | (38.0)   | (62.1)   |
| Additions to property, plant and equipment   | (456.7)  | (329.4)  |
| Proceeds from restricted offer for sale, net of cash and cash equivalents disposed | -  | 1,203.3  |
| Payment received from amount due from subsidiaries disposed                        | -  | 1,004.0  |
| Proceeds from disposal of other investments  | -  | 7.9  |
| Investments in joint ventures  | -  | (22.9)   |
| Additions to investment properties   | -  | (125.1)  |
| Acquisitions of additional interest in subsidiaries                                | -  | (2.6)  |
| Investment in land held for development  | -  | (491.5)  |
| Acquisition of subsidiary, net of cash and cash equivalents acquired               | -  | (1,000.4)  |
| <b>Net cash (outflow)/inflow from investing activities</b>                         | <u><u>(303.3)</u></u>                              | <u><u>287.6</u></u>                                |

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement of Cash Flows (Continued)**

|  | <b>12 Months Ended<br/>30/06/15<br/>RM'Million</b> | <b>12 Months Ended<br/>30/06/14<br/>RM'Million</b> |
|--|--|--|
| <b>Financing Activities</b>  |  |  |
| Drawdown of long term borrowings   | 2,229.9  | -  |
| Net drawdown of other borrowings   | 373.3  | 215.0  |
| Issuance of shares   | 29.2   | 56.2   |
| Dividends paid to non-controlling interests                              | (9.8)  | (12.3)   |
| Repurchase of shares   | (179.2)  | (205.3)  |
| Payment of finance costs   | (314.1)  | (294.7)  |
| Payment of dividends   | (1,049.3)  | (1,051.1)  |
| Redemption/repurchase of Guaranteed Notes                                | (1,607.1)  | (79.4)   |
| Repayment of term loans  | (2,729.0)  | (28.7)   |
| Proceeds from issuance of preference shares to non-controlling interests | -  | 1.0  |
| <b>Net cash outflow from financing activities</b>                        | <b>(3,256.1)</b>                                   | <b>(1,399.3)</b>                                   |
| <b>Net (decrease)/increase in cash and cash equivalents</b>              | <b>(2,201.7)</b>                                   | <b>557.5</b>                                       |
| <b>Cash and cash equivalents at beginning of period</b>                  | <b>3,987.7</b>                                     | <b>3,410.6</b>                                     |
| <b>Effect of exchange rate changes</b>                                   | <b>2.5</b>   | <b>19.6</b>  |
| <b>Cash and cash equivalents at end of period</b>                        | <b>1,788.5</b>                                     | <b>3,987.7</b>                                     |

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)





IOI GROUP

**IOI CORPORATION BERHAD** (9027-W)

(Incorporated in Malaysia)

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement Of Changes In Equity**

| (RM' Million)  | Non-distributable |               |                 |               |                                      |                 | Distributable     |  | Non- controlling interests | Total equity   |
|--|-------------------|---------------|-----------------|---------------|--------------------------------------|-----------------|-------------------|--|----------------------------|----------------|
|  | Share capital     | Share premium | Capital reserve | Other reserve | Foreign currency translation reserve | Treasury shares | Retained earnings | Total attributable to owners of the parent |                            |                |
| <b>As at 1 July 2014</b>                               | <b>645.0</b>      | <b>27.6</b>   | <b>113.7</b>    | -             | <b>(215.1)</b>                       | <b>(441.0)</b>  | <b>5,906.6</b>    | <b>6,036.8</b>                             | <b>196.3</b>               | <b>6,233.1</b> |
| <b>Total comprehensive (loss)/income</b>               | -                 | -             | -               | <b>(3.8)</b>  | <b>72.6</b>                          | -               | <b>152.9</b>      | <b>221.7</b>                               | <b>2.8</b>                 | <b>224.5</b>   |
| <b>Transactions with owners</b>                        |                   |               |                 |               |                                      |                 |                   |  |                            |                |
| Dividends paid in respect of current financial year    | -                 | -             | -               | -             | -                                    | -               | <b>(286.3)</b>    | <b>(286.3)</b>                             | -                          | <b>(286.3)</b> |
| Dividends paid in respect of previous financial year   | -                 | -             | -               | -             | -                                    | -               | <b>(763.0)</b>    | <b>(763.0)</b>                             | -                          | <b>(763.0)</b> |
| Issue of shares arising from exercise of share options | <b>0.9</b>        | <b>36.8</b>   | <b>(8.5)</b>    | -             | -                                    | -               | -                 | <b>29.2</b>                                | -                          | <b>29.2</b>    |
| Repurchase of shares                                   | -                 | -             | -               | -             | -                                    | <b>(179.2)</b>  | -                 | <b>(179.2)</b>                             | -                          | <b>(179.2)</b> |
| Liquidation of a subsidiary                            | -                 | -             | <b>(0.1)</b>    | -             | -                                    | -               | -                 | <b>(0.1)</b>                               | -                          | <b>(0.1)</b>   |
| Dividend paid to non-controlling interests             | -                 | -             | -               | -             | -                                    | -               | -                 | -  | <b>(9.8)</b>               | <b>(9.8)</b>   |
| <b>As at 30 June 2015</b>                              | <b>645.9</b>      | <b>64.4</b>   | <b>105.1</b>    | <b>(3.8)</b>  | <b>(142.5)</b>                       | <b>(620.2)</b>  | <b>5,010.2</b>    | <b>5,059.1</b>                             | <b>189.3</b>               | <b>5,248.4</b> |

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)



IOI GROUP

**IOI CORPORATION BERHAD** (9027-W)  
(Incorporated in Malaysia)

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Condensed Consolidated Statement Of Changes In Equity (Continued)**

| (RM'Million)   | Non-distributable |               |                 |                                      |                 | Distributable     |  | Non-controlling interests | Total equity |
|--|-------------------|---------------|-----------------|--------------------------------------|-----------------|-------------------|--|---------------------------|--------------|
|  | Share capital     | Share premium | Capital reserve | Foreign currency translation reserve | Treasury shares | Retained earnings | Total attributable to owners of the parent |                           |              |
| <b>As at 1 July 2013</b>                               |                   |               |                 |                                      |                 |                   |  |                           |              |
| As previously reported                                 | 643.4             | 2,013.4       | 127.2           | (56.2)                               | (235.7)         | 11,179.9          | 13,672.0                                   | 280.0                     | 13,952.0     |
| Effect of adopting FRS 119                             | -                 | -             | -               | -                                    | -               | (21.5)            | (21.5)                                     | -                         | (21.5)       |
| As restated  | 643.4             | 2,013.4       | 127.2           | (56.2)                               | (235.7)         | 11,158.4          | 13,650.5                                   | 280.0                     | 13,930.5     |
| <b>Total comprehensive income</b>                      | -                 | -             | -               | 181.6                                | -               | 3,373.6           | 3,555.2                                    | 19.2                      | 3,574.4      |
| <b>Transactions with owners</b>                        |                   |               |                 |                                      |                 |                   |  |                           |              |
| Dividends paid in respect of current financial year    | -                 | -             | -               | -                                    | -               | (507.9)           | (507.9)                                    | -                         | (507.9)      |
| Dividends paid in respect of previous financial year   | -                 | -             | -               | -                                    | -               | (543.2)           | (543.2)                                    | -                         | (543.2)      |
| Issue of shares arising from exercise of share options | 1.6               | 68.5          | (13.9)          | -                                    | -               | -                 | 56.2                                       | -                         | 56.2         |
| Derecognition arising from the Demerger Exercise       | -                 | -             | -               | (340.5)                              | -               | -                 | (340.5)                                    | (199.0)                   | (539.5)      |
| Recognition of share option expenses                   | -                 | -             | 0.4             | -                                    | -               | -                 | 0.4  | -                         | 0.4          |
| Repurchase of shares                                   | -                 | -             | -               | -                                    | (205.3)         | -                 | (205.3)                                    | -                         | (205.3)      |
| Distribution-in-specie                                 | -                 | (2,054.3)     | -               | -                                    | -               | (7,563.4)         | (9,617.7)                                  | -                         | (9,617.7)    |
| Dividends paid to non-controlling interests            | -                 | -             | -               | -                                    | -               | -                 | -  | (12.3)                    | (12.3)       |
| Changes in equity interest in subsidiaries             | -                 | -             | -               | -                                    | -               | (10.9)            | (10.9)                                     | (169.5)                   | (180.4)      |
| Arising from acquisition of subsidiary                 | -                 | -             | -               | -                                    | -               | -                 | -  | 224.9                     | 224.9        |
| Capital contribution by non-controlling interests      | -                 | -             | -               | -                                    | -               | -                 | -  | 53.0                      | 53.0         |
| <b>As at 30 June 2014</b>                              | 645.0             | 27.6          | 113.7           | (215.1)                              | (441.0)         | 5,906.6           | 6,036.8                                    | 196.3                     | 6,233.1      |

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)



## **Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

### **a) Accounting Policies**

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2014.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2014.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2014 except for the adoption of the following new/revised FRSs and amendments to FRSs:

| <b>Title</b>   | <b>Effective Date</b> |
|--|-----------------------|
| Amendments to FRS 10 <i>Consolidated Financial Statements: Investment Entities</i>         | 1 January 2014        |
| Amendments to FRS 12 <i>Disclosure of Interests in Other Entities: Investment Entities</i> | 1 January 2014        |
| Amendments to FRS 127 <i>Separate Financial Statements (2011): Investment Entities</i>     | 1 January 2014        |
| Amendments to FRS 132 <i>Offsetting Financial Assets and Financial Liabilities</i>         | 1 January 2014        |
| Amendments to FRS 136 <i>Recoverable Amount Disclosures for Non-Financial Assets</i>       | 1 January 2014        |
| Amendments to FRS 139 <i>Novation of Derivatives and Continuation of Hedge Accounting</i>  | 1 January 2014        |
| IC Interpretation 21 <i>Levies</i>   | 1 January 2014        |
| Amendments to FRS 119 (2011) <i>Defined Benefit Plans: Employee Contributions</i>          | 1 July 2014           |
| Annual Improvements to FRSs 2010 - 2012 Cycle  | 1 July 2014           |
| Annual Improvements to FRSs 2011 - 2013 Cycle  | 1 July 2014           |

The adoption of the above amendments to FRSs and IC Interpretation do not have any significant financial impact on the results and the financial position of the Group for the current quarter.

As stated in our audited financial statements for the financial year ended 30 June 2014, the Group has yet to adopt the Malaysian Financial Reporting Standards (“MFRS”) framework, and has elected to be a transitioning entity which will only adopt the MFRS framework for the financial year ending 30 June 2018.



**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**b) Seasonal or Cyclical Factors**

There were no significant seasonal or cyclical factors that affect the business of the Group for the quarter under review.

**c) Unusual Items**

There are no unusual items affecting assets, liabilities, equity, net income, and cash flows for the period under review.

**d) Material Changes in Estimates of Amounts Reported**

There are no changes in estimates of amounts reported in prior interim periods or financial years that have a material effect in the current financial period.

**e) Details of Changes in Debt and Equity Securities**

i. During the current financial period-to-date, the Company issued:

- 2,612,100 shares of RM0.10 each for cash at RM2.03 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.
- 3,553,400 shares of RM0.10 each for cash at RM3.49 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.
- 2,752,500 shares of RM0.10 each for cash at RM4.17 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.

ii. During the current financial year-to-date, the Company has repurchased 42,978,200 of its issued shares capital from the open market. The average price paid for the shares repurchased was RM4.17 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act, 1965.

iii. On 16 March 2015, the Group redeemed and settled in full the outstanding Guaranteed Notes of USD488,955,786 (being principal of USD476,449,000 and interest of USD12,506,786). Following the settlement, the Guaranteed Notes ceased to be quoted on the Singapore Exchange Securities Trading Limited and the Labuan International Financial Exchange Inc.



**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**f) Dividends Paid**

|   | <b>CURRENT<br/>YEAR TO<br/>DATE<br/>RM'Million</b> | <b>PRECEDING YEAR<br/>CORRESPONDING<br/>PERIOD<br/>RM'Million</b> |
|---|--|---|
| Second interim single tier dividend in respect of financial year ended 30 June 2014<br>- 12.0 sen per ordinary share of RM0.10 each | <b>763.0</b>                                       | -   |
| First interim single tier dividend in respect of financial year ended 30 June 2015<br>- 4.5 sen per ordinary share of RM0.10 each   | <b>286.3</b>                                       | -   |
| Second interim single tier dividend in respect of financial year ended 30 June 2013<br>- 8.5 sen per ordinary share of RM0.10 each  | -  | 543.2   |
| First interim single tier dividend in respect of financial year ended 30 June 2014<br>- 8.0 sen per ordinary share of RM0.10 each   | -  | 507.9   |
|   | <b>1,049.3</b>                                     | <b>1,051.1</b>  |



**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**g) Segment Revenue & Results**

| (RM'Million)                        | Plantation | Resource-based<br>Manufacturing | Other<br>Operations | Eliminations | Total<br>Continuing<br>Operations | Discontinued<br>Operations | Adjustment * | Total    |
|-------------------------------------|------------|---------------------------------|---------------------|--------------|-----------------------------------|----------------------------|--------------|----------|
| <b>12 Months Ended 30/06/15</b>     |            |                                 |                     |              |                                   |                            |              |          |
| <b>REVENUE</b>                      |            |                                 |                     |              |                                   |                            |              |          |
| External Sales                      | 185.8      | 11,337.8                        | 97.4                | -            | 11,621.0                          | -                          | -            | 11,621.0 |
| Inter-segment sales                 | 1,834.5    | -                               | -                   | (1,834.5)    | -                                 | -                          | -            | -        |
| Total Revenue                       | 2,020.3    | 11,337.8                        | 97.4                | (1,834.5)    | 11,621.0                          | -                          | -            | 11,621.0 |
| <b>RESULT</b>                       |            |                                 |                     |              |                                   |                            |              |          |
| Operating profit                    | 914.9      | 398.1                           | 76.7                | -            | 1,389.7                           | -                          | -            | 1,389.7  |
| Share of results of associates      | 91.0       | 28.1                            | -                   | -            | 119.1                             | -                          | -            | 119.1    |
| Share of results of a joint venture | -          | (5.8)                           | -                   | -            | (5.8)                             | -                          | -            | (5.8)    |
| Segment results                     | 1,005.9    | 420.4                           | 76.7                | -            | 1,503.0                           | -                          | -            | 1,503.0  |
| <b>12 Months Ended 30/06/14</b>     |            |                                 |                     |              |                                   |                            |              |          |
| <b>REVENUE</b>                      |            |                                 |                     |              |                                   |                            |              |          |
| External Sales                      | 260.4      | 11,584.9                        | 65.3                | -            | 11,910.6                          | 768.1                      | (14.7)       | 12,664.0 |
| Inter-segment sales                 | 1,943.2    | -                               | -                   | (1,943.2)    | -                                 | -                          | -            | -        |
| Total Revenue                       | 2,203.6    | 11,584.9                        | 65.3                | (1,943.2)    | 11,910.6                          | 768.1                      | (14.7)       | 12,664.0 |
| <b>RESULT</b>                       |            |                                 |                     |              |                                   |                            |              |          |
| Operating profit                    | 1,085.9    | 760.1                           | 70.0                | -            | 1,916.0                           | 338.7                      | -            | 2,254.7  |
| Share of results of associates      | 99.8       | 28.0                            | -                   | -            | 127.8                             | 1.5                        | -            | 129.3    |
| Share of results of joint ventures  | -          | (0.8)                           | -                   | -            | (0.8)                             | 31.0                       | -            | 30.2     |
| Segment results                     | 1,185.7    | 787.3                           | 70.0                | -            | 2,043.0                           | 371.2                      | -            | 2,414.2  |

\*: Inter-operations sales within continuing operations and discontinued operations.



**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**g) Segment Revenue & Results (Continued)**

The reconciliation of reportable segment results to the Group's corresponding amounts is as follows:

|   | 12 Months Ended<br>30/06/15            |  |                          |                     | 12 Months Ended<br>30/06/14            |  |                            |                     |
|---|--|--|--------------------------|---------------------|--|--|----------------------------|---------------------|
|   | Continuing<br>operations<br>RM'Million | Discontinued<br>operations<br>RM'Million | Adjustment<br>RM'Million | Total<br>RM'Million | Continuing<br>operations<br>RM'Million | Discontinued<br>operations<br>RM'Million | Adjustment *<br>RM'Million | Total<br>RM'Million |
| Segment results   | 1,503.0                                | -  | -                        | 1,503.0             | 2,043.0                                | 371.2                                    | -                          | 2,414.2             |
| Unallocated corporate net expenses  | (42.5)                                 | -  | -                        | (42.5)              | (115.6)                                | -  | -                          | (115.6)             |
| Profit before interest and taxation   | 1,460.5                                | -  | -                        | 1,460.5             | 1,927.4                                | 371.2                                    | -                          | 2,298.6             |
| Finance costs   | (281.6)                                | -  | -                        | (281.6)             | (282.4)                                | (22.8)                                   | 29.1                       | (276.1)             |
| Interest income   | 13.4                                   | -  | -                        | 13.4                | 47.8                                   | 17.1                                     | (29.1)                     | 35.8                |
| Net foreign currency translation loss on foreign currency<br>denominated borrowings | (735.3)                                | -  | -                        | (735.3)             | (22.0)                                 | -  | -                          | (22.0)              |
| Profit before taxation  | 457.0                                  | -  | -                        | 457.0               | 1,670.8                                | 365.5                                    | -                          | 2,036.3             |
| Taxation  | (284.6)                                | -  | -                        | (284.6)             | (408.4)                                | (125.4)                                  | -                          | (533.8)             |
|   | 172.4                                  | -  | -                        | 172.4               | 1,262.4                                | 240.1                                    | -                          | 1,502.5             |
| Net gain arising from Demerger Exercise   | -                                      | -  | -                        | -                   | -                                      | 1,887.2                                  | -                          | 1,887.2             |
| Profit for the period   | 172.4                                  | -  | -                        | 172.4               | 1,262.4                                | 2,127.3                                  | -                          | 3,389.7             |

\*: Inter-operations transactions within continuing operations and discontinued operations.

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**g) Segment Revenue & Results (Continued)**

The basis of segmentation and measurement of segment profit or loss is consistent with the basis adopted in the last audited annual financial statements. There were no material changes in segment assets from the amount disclosed in the last audited annual financial statements.

**h) Material Events Subsequent to the End of Financial Period**

There were no material events subsequent to 30 June 2015 that have not been reflected in the financial statements.

**i) Changes in the Composition of the Group**

There were no material changes in the composition of the Group during the financial period ended 30 June 2015.

**j) Contingent Liabilities**

There were no significant changes in contingent liabilities since the last annual reporting date.



**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**1) Detailed Analysis of the Performance of All Operating Segments of the Group**

**a) Q4 FY2015 vs. Q4 FY2014**

The Group reported a profit before interest and taxation (“PBIT”) of RM334.4 million for Q4 FY2015, which is 19% lower than the PBIT of RM413.2 million reported for Q4 FY2014. The decrease of PBIT is due mainly to lower contribution from plantation segment.

**Plantation**

The plantation profit decreased by 26% to RM235.8 million for Q4 FY2015 as compared to RM318.6 million reported for Q4 FY2014. The lower profit reported is due mainly to lower CPO price realised of which the average CPO price realised for Q4 FY2015 was RM2,197/MT as compared to RM2,661/MT for Q4 FY2014.

**Resource-based Manufacturing**

The resource-based manufacturing profit of RM99.1 million for Q4 FY2015 is 4% lower than RM103.7 million reported for Q4 FY2014. The lower manufacturing profit is mainly due to lower margin from the refinery sub-segment, moderated by better margin from specialty oils and fats sub-segment.

Excluding the net foreign currency translation loss of RM76.8 million (Q4 FY2014 – gain of RM83.9 million) on foreign currency denominated borrowings, the underlying pre-tax profit of RM280.1 million for Q4 FY2015 is 20% lower than the underlying pre-tax profit of RM349.1 million for Q4 FY2014, which is due mainly to lower plantation profit as mentioned above.

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**1) Detailed Analysis of the Performance of All Operating Segments of the Group (Continued)**

**b) FY2015 vs. FY2014**

For FY2015, the Group reported a PBIT of RM1,460.5 million from its continuing operations, which is 24% lower than the PBIT of RM1,927.4 million reported for FY2014. The decrease of PBIT is due mainly to lower contribution from both plantation and resource-based manufacturing segments.

**Plantation**

The plantation profit of RM1,005.9 million for FY2015 is 15% lower than RM1,185.7 million reported for FY2014. The lower profit for FY2015 is due mainly to lower CPO price realised of which the average CPO price realised for FY2015 was RM2,221/MT as compared to RM2,509/MT for FY2014.

**Resource-based Manufacturing**

The resource-based manufacturing profit of RM420.4 million for FY2015 is 47% lower than RM787.3 million reported for FY2014. The lower profit is due mainly to unrealised fair value loss in foreign currency forward exchange contracts arising from weaker Ringgit amounting to RM119.0 million (FY2014 – gain of RM79.8 million). The forward exchange contracts were entered into as a hedge to protect the Ringgit denominated margin of the manufacturing business. Excluding the unrealised fair value loss/gain in foreign currency forward exchange contracts for both FY2015 and FY2014 respectively, the underlying profit for resource-based manufacturing segment of RM539.4 million for FY2015 is 24% lower than the underlying profit of RM707.5 million for FY2014. This is mainly due to lower margin from the oleochemicals and the refinery sub-segments as well as lower sales volume from the refinery sub-segment.

Excluding the net foreign currency translation loss of RM735.3 million (FY2014 – loss of RM22.0 million) on foreign currency denominated borrowings, the underlying pre-tax profit of RM1,192.3 million for FY2015 is 30% lower than the underlying pre-tax profit of RM1,692.8 million for FY2014, which is due mainly to lower segmental profit as mentioned above.

In the opinion of the Directors, the results for the financial year under review have not been affected by any transaction or event of a material or unusual nature which may have arisen between 30 June 2015 and the date of this announcement.

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**2) Material Change in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

The Group reported an overall PBIT of RM334.4 million for Q4 FY2015, which is 12% higher than Q3 FY2015 of RM298.9 million. Details of the segmental profits are as follows:

**Plantation**

The plantation profit increased by 23% to RM235.8 million for Q4 FY2015 as compared to RM191.8 million for Q3 FY2015, attributable mainly to higher FFB production of 888,498 MT (Q3 FY2015 – 683,718 MT) or an increase of 30%.

**Resource-based Manufacturing**

The resource-based manufacturing segment reported a lower profit of RM99.1 million in Q4 FY2015 as compared to RM102.9 million in Q3 FY2015, due mainly to lower margin generated from the refinery sub-segment, moderated by better margin from specialty oils and fats sub-segment.

Excluding the net foreign currency translation loss of RM76.8 million (Q3 FY2015 – loss of RM332.7 million) on foreign currency denominated borrowings, the underlying pre-tax profit of RM280.1 million for Q4 FY2015 is 25% higher than the underlying pre-tax profit of RM223.5 million for Q3 FY2015, which is due mainly to higher segmental profit from plantation segment.

The analysis of contribution by segment is as follows:

|   | <b>CURRENT<br/>QUARTER<br/>RM'Million</b> | <b>PRECEDING<br/>QUARTER<br/>RM'Million</b> | <b>DIFFERENCE<br/>RM'Million</b> |       |
|---|---|---|----------------------------------|-------|
| <b>Continuing operations</b>  |   |   |                                  |       |
| Plantation  | 235.8                                     | 191.8                                       | 44.0                             | 23%   |
| Resource-based manufacturing  | 99.1                                      | 102.9                                       | (3.8)                            | (4%)  |
| Other operations  | 6.5                                       | 18.6  | (12.1)                           | (65%) |
| Segment results   | <u>341.4</u>                              | <u>313.3</u>                                | 28.1                             | 9%    |
| Unallocated corporate net expenses  | <u>(7.0)</u>                              | <u>(14.4)</u>                               | 7.4                              | (51%) |
| Profit before interest and taxation   | <u>334.4</u>                              | <u>298.9</u>                                | 35.5                             | 12%   |
| Finance costs   | (57.0)                                    | (79.5)                                      | 22.5                             | (28%) |
| Interest income   | 2.7                                       | 4.1   | (1.4)                            | (34%) |
| Net foreign currency translation loss on foreign<br>currency denominated borrowings | <u>(76.8)</u>                             | <u>(332.7)</u>                              | 255.9                            | (77%) |
| Profit/(loss) before taxation   | <u>203.3</u>                              | <u>(109.2)</u>                              | 312.5                            | 286%  |

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**3) Prospects**

The implementation of the B15 Biodiesel program in Indonesia and the likelihood of severe dry weather in the coming months will help to counter the current weak crude palm oil (“CPO”) sentiment caused by the soft soybean prices and the expectation of seasonally higher production of oil palm fruits. We expect the CPO price to stay mostly flat during the next 3 months.

The Group will continue to rely on its many years of experience to pursue cost efficiency and higher productivity in its plantation operations. It will leverage on its sustainability record and the synergy with its downstream operations to extract higher value add for its CPO and palm kernel produce.

In the resource-based manufacturing segment, the Group expects its specialty oils and fats sub-segment to perform well given the geographical spread of its operations especially in the USA and Europe. Its oleochemicals sub-segment will also perform satisfactorily with the lower palm kernel raw material cost and higher glycerine price.

The volatility of Dollar Ringgit exchange rate will continue to impact the non-cash flow forex translation gain/loss arising from our medium to long dated US Dollar denominated borrowings.

Although the operating environment in Malaysia and the Asian region has become more challenging, we expect our overall operating performance to be satisfactory.

**4) Achievability of Forecast Results**

Not applicable.

**5) Variance of Actual Profit from Forecast Results or Profit Guarantee**

Not applicable.

**6) Taxation**

|  | INDIVIDUAL QUARTER (Q4)            |  | CUMULATIVE QUARTER (12 Mths)       |   |
|--|------------------------------------|--|------------------------------------|---|
|  | CURRENT YEAR QUARTER<br>RM'Million | PRECEDING YEAR CORRESPONDING QUARTER<br>RM'Million | CURRENT YEAR TO DATE<br>RM'Million | PRECEDING YEAR CORRESPONDING PERIOD<br>RM'Million |
| The tax expense comprises the following: |                                    |  |                                    |   |
| Current taxation                         |                                    |  |                                    |   |
| - Current year                           | <b>98.2</b>                        | 63.6   | <b>334.6</b>                       | 398.6   |
| - Prior years                            | <b>(17.1)</b>                      | (1.4)  | <b>(20.1)</b>                      | (3.5)   |
| Deferred taxation                        |                                    |  |                                    |   |
| - Current year                           | <b>(22.7)</b>                      | 6.3  | <b>(20.5)</b>                      | 11.2  |
| - Prior years                            | <b>(10.8)</b>                      | 14.2   | <b>(9.4)</b>                       | 2.1   |
|  | <b>47.6</b>                        | 82.7   | <b>284.6</b>                       | 408.4   |

The effective tax rate of the Group excluding over provisions of taxation and deferred taxation in prior years is higher than the statutory tax rate due principally to the non-allowable unrealised foreign exchange losses and other non-allowable expenses incurred by the Group.

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**7) Corporate Proposal**

There were no corporate proposals announced by the Group but not completed as at 17 August 2015 (being a date not earlier than 7 days from the date of issue of the quarterly report).

**8) Group Borrowings and Debts Securities**

Group borrowings and debt securities as at 30 June 2015 are as follows:

|  | RM'Million     |
|--|----------------|
| <b>a) Short term borrowings</b>          |                |
| Unsecured                                |                |
| Denominated in RM                        | 65.9           |
| Denominated in USD (USD109.2 million)    | 412.5          |
| Denominated in EUR (EUR79.0 million)     | 334.1          |
| Total Short Term Borrowings              | <u>812.5</u>   |
| <b>b) Long term borrowings</b>           |                |
| Unsecured                                |                |
| Denominated in JPY (JPY21,000.0 million) | 646.9          |
| Denominated in USD (USD1,374.8 million)  | 5,189.0        |
| Total Long Term Borrowings               | <u>5,835.9</u> |
| Total Borrowings                         | <u>6,648.4</u> |

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**9) Derivative Financial Instruments**

a) The outstanding forward foreign exchange contracts as at 30 June 2015 are as follows:

|                          | Contract/Notional Value (Million)<br>Net long/(short) |         |                      |                         | Fair Value – assets/(liabilities)<br>(RM'Million) |               |                      |                         |               |
|--------------------------|---|---------|----------------------|-------------------------|---|---------------|----------------------|-------------------------|---------------|
|                          | Base<br>Currency                                      | <1 year | 1 year to<br>3 years | More<br>than 3<br>years | Total   | <1 year       | 1 year to<br>3 years | More<br>than 3<br>years | Total         |
| <b>Vanilla Contracts</b> |   |         |                      |                         |   |               |                      |                         |               |
| USD/RM                   | <b>USD</b>  | (519.8) | (7.1)                | -                       | <b>(526.9)</b>                                    | (67.5)        | (0.4)                | -                       | <b>(67.9)</b> |
| EUR/RM                   | <b>EUR</b>  | (21.2)  | -                    | -                       | <b>(21.2)</b>                                     | (2.6)         | -                    | -                       | <b>(2.6)</b>  |
| USD/EUR                  | <b>USD</b>  | 146.1   | -                    | -                       | <b>146.1</b>                                      | (16.8)        | -                    | -                       | <b>(16.8)</b> |
| EUR/GBP                  | <b>GBP</b>  | (5.6)   | -                    | -                       | <b>(5.6)</b>                                      | (1.2)         | -                    | -                       | <b>(1.2)</b>  |
| EUR/CAD                  | <b>CAD</b>  | (2.4)   | -                    | -                       | <b>(2.4)</b>                                      | 0.2           | -                    | -                       | <b>0.2</b>    |
| USD/RMB                  | <b>USD</b>  | (0.4)   | -                    | -                       | <b>(0.4)</b>                                      | -             | -                    | -                       | <b>-</b>      |
| JPY/RM                   | <b>JPY</b>  | (648.9) | -                    | -                       | <b>(648.9)</b>                                    | (0.6)         | -                    | -                       | <b>(0.6)</b>  |
| GBP/RM                   | <b>GBP</b>  | (1.8)   | -                    | -                       | <b>(1.8)</b>                                      | (0.5)         | -                    | -                       | <b>(0.5)</b>  |
| EUR/RM                   | <b>RM</b>   | (18.0)  | -                    | -                       | <b>(18.0)</b>                                     | 1.6           | -                    | -                       | <b>1.6</b>    |
| SGD/RM                   | <b>SGD</b>  | 0.3     | -                    | -                       | <b>0.3</b>  | -             | -                    | -                       | <b>-</b>      |
| USD/CAD                  | <b>CAD</b>  | (0.5)   | -                    | -                       | <b>(0.5)</b>                                      | 0.1           | -                    | -                       | <b>0.1</b>    |
| CAD/USD                  | <b>USD</b>  | (1.0)   | -                    | -                       | <b>(1.0)</b>                                      | (0.4)         | -                    | -                       | <b>(0.4)</b>  |
| RM/RMB                   | <b>RMB</b>  | (90.3)  | -                    | -                       | <b>(90.3)</b>                                     | (3.0)         | -                    | -                       | <b>(3.0)</b>  |
|                          |   |         |                      |                         |   | <b>(90.7)</b> | <b>(0.4)</b>         | <b>-</b>                | <b>(91.1)</b> |

The above contracts were entered into as hedges for sales and purchases denominated in foreign currencies and to limit the exposure to potential changes in foreign exchange rates with respect to the Group's foreign currencies denominated financial assets and liabilities.

There is minimal credit risk as the contracts were entered into with reputable banks.

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**9) Derivative Financial Instruments (Continued)**

b) The outstanding commodity contracts as at 30 June 2015 are as follows:

|                      | Contract/Notional Value (Million)<br>Net long/(short) |         |                      |                         |        | Fair Value – assets/(liabilities)<br>(RM'Million) |                      |                         |              |
|----------------------|---|---------|----------------------|-------------------------|--------|---|----------------------|-------------------------|--------------|
|                      | Base<br>Currency                                      | <1 year | 1 year to<br>3 years | More<br>than 3<br>years | Total  | <1 year   | 1 year to<br>3 years | More<br>than 3<br>years | Total        |
| Forward<br>Contracts | RM  | 121.6   | -                    | -                       | 121.6  | (0.8)   | -                    | -                       | (0.8)        |
|                      | USD   | (42.7)  | -                    | -                       | (42.7) | 15.1  | -                    | -                       | 15.1         |
|                      |   |         |                      |                         |        | <b>14.3</b>                                       | -                    | -                       | <b>14.3</b>  |
| Futures              | RM  | 33.3    | -                    | -                       | 33.3   | (1.1)   | -                    | -                       | (1.1)        |
|                      | USD   | 4.9     | -                    | -                       | 4.9    | (5.2)   | -                    | -                       | (5.2)        |
|                      |   |         |                      |                         |        | <b>(6.3)</b>                                      | -                    | -                       | <b>(6.3)</b> |

The above commodity contracts were entered into with the objective of managing and hedging the respective exposure of the Group's plantation segment and resource-based manufacturing segment to adverse price movements in vegetable oil commodities.

The associated credit risk is minimal as these contracts were entered into with brokers of commodity exchanges.

c) The outstanding cross currency swap contracts as at 30 June 2015 are as follows:

|   | Contract/Notional Value (Million) |         |                         |                         |          | Fair Value – assets/(liabilities)<br>(RM'Million) |                         |                         |       |
|---|-----------------------------------|---------|-------------------------|-------------------------|----------|---|-------------------------|-------------------------|-------|
|   | Base<br>Currency                  | <1 year | 1 year<br>to 3<br>years | More<br>than 3<br>years | Total    | <1 year   | 1 year<br>to 3<br>years | More<br>than 3<br>years | Total |
| JPY liability to USD<br>liability <sup>1</sup>                            | JPY                               | -       | -                       | 15,000.0                | 15,000.0 | -   | -                       | 42.9                    | 42.9  |
| JPY liability to USD<br>liability <sup>2</sup>                            | JPY                               | -       | -                       | 6,000.0                 | 6,000.0  | -   | -                       | 16.9                    | 16.9  |
| Floating rate USD<br>liability to fixed rate RM<br>liability <sup>3</sup> | USD                               | -       | 100.0                   | -                       | 100.0    | -   | 78.9                    | -                       | 78.9  |

<sup>1</sup> The contracts effectively swapped the Group's JPY15.0 billion 30-year Fixed Rate Term Loan due 2037 into USD128 million liability and serve as a cashflow hedge for the Group's principal repayment for the JPY loan obtained.

<sup>2</sup> The contracts effectively swapped the Group's JPY6.0 billion 30-year Fixed Rate Term Loan due 2038 into USD55 million liability and serve as a cashflow hedge for the Group's principal repayment for the JPY loan obtained.

<sup>3</sup> The contracts effectively swapped the Group's floating rate USD100 million Term Loan into fixed rate RM302 million liability and serve as a cashflow hedge for the Group's principal repayment for the USD loan obtained.

There is minimal credit risk as the swaps were entered into with reputable banks.

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**9) Derivative Financial Instruments (Continued)**

**d)** The outstanding interest rate swap contracts as at 30 June 2015 are as follows:

|                                  | Contract/Notional Value (Million) |         |                         |                         |       | Fair Value – assets/(liabilities)<br>(RM'Million) |                         |                         |        |
|----------------------------------|-----------------------------------|---------|-------------------------|-------------------------|-------|---|-------------------------|-------------------------|--------|
|                                  | Base<br>Currency                  | <1 year | 1 year<br>to 3<br>years | More<br>than 3<br>years | Total | <1 year   | 1 year<br>to 3<br>years | More<br>than 3<br>years | Total  |
| Interest Rate Swaps <sup>1</sup> | USD                               | -       | 524.0                   | -                       | 524.0 | -   | (29.5)                  | -                       | (29.5) |

<sup>1</sup> The contracts effectively swapped the Group's floating interest rate to fixed interest rate to hedge against interest rate fluctuations.

There is minimal credit risk as the swaps were entered into with reputable banks.

All the above derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at fair value through profit or loss. The resulting gain or loss from the remeasurement is recognised in profit or loss.





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**10) Fair Value Changes of Financial Liabilities**

| Type of Financial Liability               | Fair Value Gain/(Loss) |                      | Basis of Fair Value Measurement   | Reason for gain/(loss)  |
|---|------------------------|----------------------|---|---|
|   | Current Quarter        | Current Year To Date |   |   |
|   | RM'Million             | RM'Million           |   |   |
| <b>Forward foreign exchange contracts</b> | 40.5                   | (74.9)               | The difference between the contracted rates and the market forward rates              | The exchange rates have moved favourably for /(unfavourably against) the Group from the last measurement date                                 |
| <b>Commodity futures</b>                  | 1.6                    | (1.4)                | The difference between the contracted prices rate and forward prices                  | The prices for the respective commodity futures have moved favourably for /(unfavourably against) the Group from the last measurement date    |
| <b>Commodity forward contracts</b>        | 30.8                   | 10.3                 | The difference between the contracted prices rate and forward prices                  | The prices for the respective commodity forward contracts have moved favourably for the Group from the last measurement date                  |
| <b>Cross currency swap contracts</b>      | -                      | 1.0                  | Based on spot, forward and interest rate term structure for the respective currencies | The forward and interest rate term structure for the respective currencies have moved favourably for the Group from the last measurement date |
| <b>Interest rate swap contracts</b>       | 4.2                    | 14.2                 | The difference between fixed and floating interest rates                              | The floating interest rate has moved favourably for the Group from the last measurement date  |

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**11) Realised and Unrealised Profits**

The retained earnings as at the end of the reporting period are analysed as follows:

|   | RM'Million |
|---|------------|
| <b>Total retained profits of IOI Corporation Berhad and its subsidiaries:</b> |            |
| - Realised  | 9,327.2    |
| - Unrealised  | (286.3)    |
|   | 9,040.9    |
| <b>Total share of retained profits from associated companies:</b>             |            |
| - Realised  | 352.9      |
| - Unrealised  | 104.8      |
|   | 457.7      |
| <b>Total share of accumulated losses from joint venture:</b>                  |            |
| - Realised  | (6.8)      |
| - Unrealised  | -          |
|   | (6.8)      |
|   | 9,491.8    |
| <b>Less: Consolidation adjustments</b>  | (4,481.6)  |
| <b>Total Group retained profits</b>   | 5,010.2    |

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**12) Notes to the Condensed Consolidated Statement of Comprehensive Income**

Profit for the period has been arrived after charging/(crediting):

|  | <b>CURRENT<br/>YEAR<br/>QUARTER<br/>30/06/15<br/>RM'Million</b> | <b>CURRENT<br/>YEAR TO<br/>DATE<br/>30/06/15<br/>RM'Million</b> |
|--|---|---|
| Interest income                                      | (2.7)   | (13.4)  |
| Other income including investment income             |   |   |
| - Dividend income                                    | (11.0)  | (82.1)  |
| Finance costs  | 57.0  | 281.6   |
| Depreciation and amortisation                        | 56.1  | 235.5   |
| Provision for and write off of receivables           | 0.2   | 0.6   |
| Net inventories (written back)/written down          | (2.9)   | 6.4   |
| Foreign exchange loss                                | 124.8   | 1,004.1   |
| Gain on derivatives                                  | (39.6)  | (176.3)   |
| Other exceptional item :                             |   |   |
| Gain on disposal of land from compulsory acquisition | (43.2)  | (43.2)  |

Other than as per disclosed above, the group does not have other material items that recognised as profit/loss in the statement of profit or loss and statement of other comprehensive income.



**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**13) Material Litigation**

There is no new material litigation or significant changes to the status of material litigations which are pending disposal in the courts since 30 June 2014. For ease of reference, the material litigation brought forward is detailed below:

**IOI Corporation Berhad**

A Writ of Summons and Statement of Claim had been filed at the High Court of Malaya at Kuala Lumpur ("High Court") (No.D24-22-438-2003) by Tuan Haji Zulkifli Bin Husain and 6 others ("Plaintiffs"), the former shareholders of IOI Oleochemical Industries Berhad ("IOI Oleo") against the Company, its Executive Chairman Tan Sri Dato' Lee Shin Cheng and its Executive Director, Dato' Lee Yeow Chor ("Defendants") claiming that the Defendants are under an obligation pursuant to Rule 34.1 of the Malaysian Code on Take-Overs and Mergers, 1987 to extend a mandatory general offer to the Plaintiffs to acquire their shares in IOI Oleo and have sought for damages by reason of alleged failure by the Defendants to extend the said general offer.

The High Court of Malaya in Kuala Lumpur had on 20 May 2011 dismissed the Plaintiffs' case with costs.

The Plaintiffs ("Appellants") then filed an appeal to the Court of Appeal (W-02-1640-91) against the decision of the High Court which was dismissed on 18 November 2011.

The Appellants then filed a Notice of Motion to the Federal Court (No.8(f)-782-12/2013(W)) for leave to appeal against the Court of Appeal decision and the matter was unanimously dismissed on 26 August 2014.

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**14) Dividend**

The Board has on 13 February 2015 declared an interim single tier dividend of 45% or 4.5 sen per ordinary share of RM0.10 each in respect of the financial year ending 30 June 2015. The dividend was paid on 13 March 2015.

The Board now declares a second interim single tier dividend of 45% or 4.5 sen per ordinary share of RM0.10 each in respect of the financial year ended 30 June 2015 which is not taxable in the hands of the shareholders pursuant to paragraph 12B of schedule 6 of the Income Tax Act 1967.

The dividend will be payable on 18 September 2015 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 10 September 2015.

A Depositor shall qualify for entitlement only in respect of:

- Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 10 September 2015 in respect of transfers; and
- Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 8 September 2015 (in respect of shares which are exempted from mandatory deposit); and
- Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

The total dividend declared to date for the current financial year is a single tier dividend of 9.0 sen (30 June 2014: 20.0 sen) per ordinary share of RM0.10 each.

**15) Earnings per Share**

|   | INDIVIDUAL QUARTER (Q4) |                                      | CUMULATIVE QUARTER (12 Mths) |                                     |
|---|-------------------------|--------------------------------------|------------------------------|-------------------------------------|
|   | CURRENT YEAR QUARTER    | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE         | PRECEDING YEAR CORRESPONDING PERIOD |
|   | RM'Million              | RM'Million                           | RM'Million                   | RM'Million                          |
| <b>a) Basic earnings per share</b>                            |                         |                                      |                              |                                     |
| Profit for the period attributable to owners of the parent    |                         |                                      |                              |                                     |
| From continuing operations                                    | 159.7                   | 355.1                                | 168.1                        | 1,254.6                             |
| From discontinued operations                                  | -                       | 52.4                                 | -                            | 2,118.4                             |
|   | <b>159.7</b>            | <b>407.5</b>                         | <b>168.1</b>                 | <b>3,373.0</b>                      |
| Weighted average number of ordinary shares in issue (Million) | <b>6,348.8</b>          | 6,351.1                              | <b>6,357.7</b>               | 6,373.2                             |
| Basic earnings per share (sen)                                |                         |                                      |                              |                                     |
| From continuing operations                                    | 2.52                    | 5.59                                 | 2.64                         | 19.69                               |
| From discontinued operations                                  | -                       | 0.83                                 | -                            | 33.24                               |
| Total   | <b>2.52</b>             | <b>6.42</b>                          | <b>2.64</b>                  | <b>52.93</b>                        |

**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**15) Earnings per Share (Continued)**

|   | INDIVIDUAL QUARTER (Q4) |                                      | CUMULATIVE QUARTER (12 Mths) |                                     |
|---|-------------------------|--------------------------------------|------------------------------|-------------------------------------|
|   | CURRENT YEAR QUARTER    | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE         | PRECEDING YEAR CORRESPONDING PERIOD |
|   | RM'Million              | RM'Million                           | RM'Million                   | RM'Million                          |
| <b>b) Diluted earnings per share</b>                                    |                         |                                      |                              |                                     |
| Adjusted profit for the period attributable to owners of the parent :   |                         |                                      |                              |                                     |
| Profit for the period attributable to owners of the parent              |                         |                                      |                              |                                     |
| From continuing operations  | 159.7                   | 355.1                                | 168.1                        | 1,254.6                             |
| From discontinued operations  | -                       | 52.4                                 | -                            | 2,118.4                             |
|   | <b>159.7</b>            | <b>407.5</b>                         | <b>168.1</b>                 | <b>3,373.0</b>                      |
| Adjusted weighted average number of ordinary shares in issue ('Million) |                         |                                      |                              |                                     |
| Weighted average number of ordinary shares in issue                     | 6,348.8                 | 6,351.1                              | 6,357.7                      | 6,373.2                             |
| Assumed exercise of Executive Share Options at beginning of period      | 7.2                     | 16.2                                 | 8.5                          | 15.1                                |
|   | <b>6,356.0</b>          | <b>6,367.3</b>                       | <b>6,366.2</b>               | <b>6,388.3</b>                      |
| Diluted earnings per share (sen)  |                         |                                      |                              |                                     |
| From continuing operations  | 2.51                    | 5.58                                 | 2.64                         | 19.64                               |
| From discontinued operations  | -                       | 0.82                                 | -                            | 33.16                               |
| Total   | <b>2.51</b>             | <b>6.40</b>                          | <b>2.64</b>                  | <b>52.80</b>                        |

**16) Audit Qualification**

The audit report on the Group's preceding year's financial statements is not qualified.

By Order of the Board

Chee Ban Tuck  
Company Secretary

Putrajaya  
24 August 2015



**Interim Report For The Financial Period Ended 30 June 2015**

(The figures have not been audited)

**Group Plantation Statistics**

|                          |                   | <b>As At<br/>30/06/15</b> | <b>As At<br/>30/06/14</b> |
|--------------------------|-------------------|---------------------------|---------------------------|
| <b>Planted Area</b>      |                   |                           |                           |
| Oil palm                 |                   |                           |                           |
| Mature                   | <i>(hectares)</i> | <b>149,568</b>            | 150,482                   |
| Total planted            | <i>(hectares)</i> | <b>178,765</b>            | 174,061                   |
| Rubber                   |                   |                           |                           |
| Total planted            | <i>(hectares)</i> | <b>470</b>                | 465                       |
| <b>Total Titled Area</b> | <i>(hectares)</i> | <b>206,918</b>            | 207,121                   |

|                                       |                   | <b>30/06/15<br/>(12 months)</b> | <b>30/06/14<br/>(12 months)</b> |
|---------------------------------------|-------------------|---------------------------------|---------------------------------|
| <b>Average Mature Area</b>            |                   |                                 |                                 |
| Oil Palm                              | <i>(hectares)</i> | <b>147,661</b>                  | 146,126                         |
| <b>Production</b>                     |                   |                                 |                                 |
| Oil Palm                              |                   |                                 |                                 |
| FFB production                        | <i>(tonnes)</i>   | <b>3,542,222</b>                | 3,506,706                       |
| Yield per mature hectare              | <i>(tonnes)</i>   | <b>23.99</b>                    | 24.00                           |
| FFB processed                         | <i>(tonnes)</i>   | <b>3,637,638</b>                | 3,543,442                       |
| Crude palm oil production             | <i>(tonnes)</i>   | <b>781,625</b>                  | 751,536                         |
| Palm kernel production                | <i>(tonnes)</i>   | <b>187,718</b>                  | 186,450                         |
| Crude palm oil extraction rate        | <i>(%)</i>        | <b>21.49%</b>                   | 21.21%                          |
| Palm kernel extraction rate           | <i>(%)</i>        | <b>5.16%</b>                    | 5.26%                           |
| <b>Average Selling Price Realised</b> |                   |                                 |                                 |
| Oil palm                              |                   |                                 |                                 |
| Crude palm oil                        | <i>(RM/tonne)</i> | <b>2,221</b>                    | 2,509                           |
| Palm kernel                           | <i>(RM/tonne)</i> | <b>1,551</b>                    | 1,709                           |