



IOI GROUP

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

**Interim Report
For The Financial Period Ended
31 December 2017**

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

Condensed Consolidated Statement of Profit or Loss

	INDIVIDUAL QUARTER (Q2)			CUMULATIVE QUARTER (6 Mths)		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	Changes (%)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	Changes (%)
	31/12/2017 RM Million	31/12/2016 RM Million		31/12/2017 RM Million	31/12/2016 RM Million	
CONTINUING OPERATIONS						
Revenue	2,399.8	2,506.5	-4%	4,605.9	4,836.9	-5%
Operating profit	428.6	386.1	11%	815.3	714.7	14%
Share of results of associates	30.9	35.2	-12%	63.1	52.5	20%
Share of results of joint ventures	(0.6)	(0.2)	-200%	(1.5)	(1.3)	-15%
Profit before interest and taxation	458.9	421.1	9%	876.9	765.9	14%
Interest income	16.8	14.8	14%	34.4	33.6	2%
Finance costs	(49.2)	(53.4)	-8%	(103.3)	(109.0)	-5%
Net foreign currency translation gain/(loss) on foreign currency denominated borrowings	196.4	(330.0)	nm	265.0	(502.0)	nm
Profit before taxation	622.9	52.5	1086%	1,073.0	188.5	469%
Taxation	(97.3)	(88.8)	10%	(203.7)	(165.4)	23%
Profit/(loss) from continuing operations	525.6	(36.3)	nm	869.3	23.1	3663%
DISCONTINUED OPERATIONS #						
Profit from discontinued operations	77.5	62.9	23%	96.6	115.5	-16%
Profit for the period	603.1	26.6	2167%	965.9	138.6	597%
Attributable to owners of the parent:						
From continuing operations	518.4	(47.3)	nm	859.3	4.9	17437%
From discontinued operations	77.5	62.9	23%	96.6	115.5	-16%
	595.9	15.6	3720%	955.9	120.4	694%
Attributable to non-controlling interests						
	7.2	11.0	-35%	10.0	18.2	-45%
	603.1	26.6	2167%	965.9	138.6	597%

*nm = not meaningful

#: Pursuant to the corporate proposal as disclosed in Note 7 of this interim report, the disposal group held for sale is presented as discontinued operations in line with the requirements of MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

(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 2017 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

Condensed Consolidated Statement of Profit or Loss (Continued)

	INDIVIDUAL QUARTER (Q2)			CUMULATIVE QUARTER (6 Mths)		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	Changes	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	Changes
	31/12/2017 RM Million	31/12/2016 RM Million	(%)	31/12/2017 RM Million	31/12/2016 RM Million	(%)
Earnings/(loss) per share for profit/(loss) attributable to owners of the parent (sen)						
Basic earnings/(loss) per share						
From continuing operations	8.25	(0.75)	nm	13.67	0.08	16988%
From discontinued operations	1.23	1.00	23%	1.54	1.84	-16%
Total	9.48	0.25	3692%	15.21	1.92	692%
Diluted earnings/(loss) per share						
From continuing operations	8.25	(0.75)	nm	13.67	0.08	16988%
From discontinued operations	1.23	1.00	23%	1.54	1.84	-16%
Total	9.48	0.25	3692%	15.21	1.92	692%

(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 2017 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

Condensed Consolidated Statement of Other Comprehensive Income

	INDIVIDUAL QUARTER (Q2)			CUMULATIVE QUARTER (6 Mths)		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	Changes (%)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	Changes (%)
	31/12/2017 RM Million	31/12/2016 RM Million		31/12/2017 RM Million	31/12/2016 RM Million	
Profit for the period	603.1	26.6	2167%	965.9	138.6	597%
Other comprehensive (loss)/income that will not be reclassified subsequently to profit or loss						
Share of other comprehensive (loss)/income of associates	(2.9)	(4.2)	-31%	(3.4)	0.3	nm
	(2.9)	(4.2)	-31%	(3.4)	0.3	nm
Other comprehensive (loss)/income that will be reclassified subsequently to profit or loss when specific conditions are met						
Exchange differences on translation of foreign operations	(21.1)	63.0	nm	(88.6)	135.7	nm
Share of other comprehensive (loss)/income of associates	(4.4)	5.5	nm	(5.7)	5.5	nm
Hedge of net investments in foreign operations	(1.2)	16.7	nm	(7.2)	14.8	nm
Other comprehensive (loss)/income for the period	(26.7)	85.2	nm	(101.5)	156.0	nm
Total comprehensive income for the period, net of tax	573.5	107.6	433%	861.0	294.9	192%
Total comprehensive income attributable to:						
Owners of the parent	567.4	99.3	471%	846.6	281.4	201%
Non-controlling interests	6.1	8.3	-27%	14.4	13.5	7%
	573.5	107.6	433%	861.0	294.9	192%

*nm = not meaningful

(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 2017 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position

	AS AT END OF CURRENT QUARTER 31/12/2017 RM Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/2017 RM Million
ASSETS		
Non-current assets		
Property, plant and equipment	8,485.1	10,086.9
Intangible assets	397.4	522.1
Investments in associates	1,117.8	1,121.1
Derivative assets	138.4	140.6
Deferred tax assets	23.6	52.0
Other non-current assets	52.7	67.0
	10,215.0	11,989.7
Current assets		
Inventories	1,054.6	2,707.7
Receivables	881.6	1,560.6
Derivative assets	83.5	56.4
Other investments	99.3	103.6
Other current assets	75.8	84.6
Short term funds	652.9	680.4
Deposits with financial institutions	500.7	156.6
Cash and bank balances	394.0	685.1
	3,742.4	6,035.0
Assets of disposal group held for sale	4,311.6	-
TOTAL ASSETS	18,269.0	18,024.7

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position (Continued)

	AS AT END OF CURRENT QUARTER 31/12/2017 RM Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/2017 RM Million
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	783.8	783.8
Other reserves	(70.9)	38.4
Retained earnings	7,276.9	6,635.2
	<u>7,989.8</u>	<u>7,457.4</u>
Non-controlling interests	<u>266.7</u>	<u>261.3</u>
Total equity	<u>8,256.5</u>	<u>7,718.7</u>
Non-current liabilities		
Borrowings	4,930.3	5,267.7
Derivative liabilities	69.6	23.2
Deferred tax liabilities	1,146.2	1,309.9
Other long term liabilities	55.5	65.6
	<u>6,201.6</u>	<u>6,666.4</u>
Current liabilities		
Payables	602.8	1,388.8
Derivative liabilities	40.2	91.8
Short term borrowings	1,679.4	2,076.1
Other current liabilities	123.7	82.9
	<u>2,446.1</u>	<u>3,639.6</u>
Liabilities of disposal group held for sale	1,364.8	-
Total liabilities	<u>10,012.5</u>	<u>10,306.0</u>
TOTAL EQUITY AND LIABILITIES	<u>18,269.0</u>	<u>18,024.7</u>
Net assets per share attributable to owners of the parent (RM)	1.27	1.19

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

Condensed Consolidated Statement of Cash Flows

	6 Months Ended 31/12/2017 RM Million	6 Months Ended 31/12/2016 RM Million
Operating Activities		
Profit before taxation		
From continuing operations	1,073.0	188.5
From discontinued operations	125.4	140.3
	1,198.4	328.8
Adjustments for:		
Depreciation and amortisation	220.3	237.6
Other non-cash items	(299.3)	582.8
Operating profit before working capital changes	1,119.4	1,149.2
Increase in inventories	(71.4)	(476.8)
Increase in receivables and other assets	(3.8)	(314.2)
(Decrease)/increase in payables and other liabilities	(110.3)	107.8
Cash generated from operations	933.9	466.0
Other payments	(0.6)	(0.5)
Taxes paid	(180.1)	(148.8)
Net cash inflow from operating activities	753.2	316.7
Investing Activities		
Interest received	23.2	21.0
Dividends received	14.5	1.4
Proceeds from disposal of property, plant and equipment	4.8	2.4
Additions to prepaid lease payments	(1.4)	(0.4)
Acquisition of additional interest in an associate	(1.5)	-
Additions to property, plant and equipment	(231.0)	(199.8)
Proceeds from disposal of assets held for sale	-	25.0
Net cash outflow from investing activities	(191.4)	(150.4)
Financing Activities		
Net drawdown of other borrowings	150.2	38.1
Dividends paid to non-controlling interests	(9.0)	(30.0)
Repayment of term loans	(58.0)	(1,097.9)
Payment of finance costs	(97.7)	(107.6)
Payment of dividends	(314.2)	(283.0)
Drawdown of long term borrowings	-	610.8
Proceeds from issuance of shares to non-controlling interest	-	0.3
Repurchase of shares	-	(1.1)
Repayment to non-controlling interest, which is also an associate of the Group	-	(81.4)
Net cash outflow from financing activities	(328.7)	(951.8)
Net increase/(decrease) in cash and cash equivalents	233.1	(785.5)
Cash and cash equivalents at beginning of period	1,522.1	1,938.2
Effect of exchange rate changes	(4.0)	10.9
	1,751.2	1,163.6
Cash and cash equivalents transferred to disposal group held for sale	(203.6)	-
Cash and cash equivalents at end of period	1,547.6	1,163.6

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.)



Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

Condensed Consolidated Statement of Changes In Equity

(RM Million)	Non-distributable					Distributable	Total attributable to owners of the parent	Non-controlling interests	Total equity
	Share capital	Capital reserve	Other reserve	Hedging reserve	Foreign currency translation reserve	Retained earnings			
As at 1 July 2017	783.8	26.8	(7.9)	(5.6)	25.1	6,635.2	7,457.4	261.3	7,718.7
Total comprehensive (loss)/income	-	-	(3.4)	(7.2)	(98.7)	955.9	846.6	14.4	861.0
Transactions with owners									
Dividends paid in respect of previous financial year	-	-	-	-	-	(314.2)	(314.2)	-	(314.2)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(9.0)	(9.0)
As at 31 December 2017	783.8	26.8	(11.3)	(12.8)	(73.6)	7,276.9	7,989.8	266.7	8,256.5

(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 2017 and the accompanying explanatory notes attached to this interim financial report.)



Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

Condensed Consolidated Statement of Changes In Equity (Continued)

(RM Million)	Non-distributable						Distributable		Total attributable to owners of the parent	Non- controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Other reserve	Hedging reserve	Foreign currency translation reserve	Treasury shares	Retained earnings			
As at 1 July 2016	646.2	73.3	72.0	(1.7)	(0.7)	(82.5)	(763.4)	7,194.9	7,138.1	278.9	7,417.0
Total comprehensive income	-	-	-	0.3	14.8	145.9	-	120.4	281.4	13.5	294.9
Transactions with owners											
Dividends paid in respect of previous financial year	-	-	-	-	-	-	-	(283.0)	(283.0)	-	(283.0)
Recognition of share option expenses	-	-	19.1	-	-	-	-	-	19.1	-	19.1
Repurchase of shares	-	-	-	-	-	-	(1.1)	-	(1.1)	-	(1.1)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	0.3	0.3
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(30.0)	(30.0)
As at 31 December 2016	646.2	73.3	91.1	(1.4)	14.1	63.4	(764.5)	7,032.3	7,154.5	262.7	7,417.2

(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 2017 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

a) Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting*, IAS 34 *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 2017.

The explanatory notes attached to this interim financial report 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 2017.

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 June 2017 except for the adoption of the following new/revised MFRSs and amendments to MFRSs:

Title	Effective Date
Amendments to MFRS 12 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2017
Amendments to MFRS 107 <i>Disclosure Initiative</i>	1 January 2017
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017

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

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.

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

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

There are no material changes in debt and equity for the current financial period.

f) Dividends Paid

	CURRENT YEAR TO DATE RM Million	PRECEDING YEAR CORRESPONDING PERIOD RM Million
Second interim single tier dividend in respect of financial year ended 30 June 2017		
- 5.0 sen per ordinary share	314.2	-
Second interim single tier dividend in respect of financial year ended 30 June 2016		
- 4.5 sen per ordinary share	-	283.0
	314.2	283.0



Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

g) Segment Revenue & Results

(RM Million)	Plantation	Resource-based Manufacturing	Other Operations	Elimination	Total Continuing operations	Discontinued Operations	Elimination	Total
6 Months Ended 31/12/17								
REVENUE								
External Sales	146.2	3,722.5	6.6	-	3,875.3	3,575.5	-	7,450.8
Inter-segment sales	1,144.6	-	-	(1,144.6)	-	-	-	-
Inter-operation sales*	-	730.6	-	-	730.6	182.0	(912.6)	-
Total Revenue	1,290.8	4,453.1	6.6	(1,144.6)	4,605.9	3,757.5	(912.6)	7,450.8
RESULT								
Operating profit	603.9	180.9	3.7	-	788.5	101.5	-	890.0
Share of results of associates	52.2	10.9	-	-	63.1	-	-	63.1
Share of results of joint ventures	-	(1.5)	-	-	(1.5)	-	-	(1.5)
Segment results before fair value adjustments	656.1	190.3	3.7	-	850.1	101.5	-	951.6
Fair value (loss)/gain on:								
Biological assets	(9.5)	-	-	-	(9.5)	-	-	(9.5)
Derivative financial instruments	(0.1)	44.6	-	-	44.5	37.2	-	81.7
Segment results	646.5	234.9	3.7	-	885.1	138.7	-	1,023.8

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



Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

g) Segment Revenue & Results (Continued)

(RM Million)	Plantation	Resource-based Manufacturing	Other Operations	Elimination	Total Continuing operations	Discontinued Operations	Elimination	Total
6 Months Ended 31/12/16								
REVENUE								
External Sales	117.0	3,645.1	6.0	-	3,768.1	3,188.9	-	6,957.0
Inter-segment sales	1,112.5	-	-	(1,112.5)	-	-	-	-
Inter-operation sales*	-	1,068.8	-	-	1,068.8	126.6	(1,195.4)	-
Total Revenue	1,229.5	4,713.9	6.0	(1,112.5)	4,836.9	3,315.5	(1,195.4)	6,957.0
RESULT								
Operating profit	659.4	141.8	4.9	-	806.1	142.1	-	948.2
Share of results of associates	33.6	18.9	-	-	52.5	-	-	52.5
Share of results of joint ventures	-	(1.3)	-	-	(1.3)	-	-	(1.3)
Segment results before fair value adjustments	693.0	159.4	4.9	-	857.3	142.1	-	999.4
Fair value gain/(loss) on								
Biological assets	14.4	-	-	-	14.4	-	-	14.4
Derivative financial instruments	(2.9)	(93.1)	-	-	(96.0)	12.9	-	(83.1)
Segment results	704.5	66.3	4.9	-	775.7	155.0	-	930.7

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



IOI GROUP

IOI CORPORATION BERHAD (9027-W)

(Incorporated in Malaysia)

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

g) Segment Revenue & Results (Continued)

The reconciliations of the total reportable segment results are as follows:

	6 Months Ended 31/12/2017				6 Months Ended 31/12/2016			
	Continuing operations RM Million	Discontinued operations RM Million	Adjustment* RM Million	Total RM Million	Continuing operations RM Million	Discontinued operations RM Million	Adjustment* RM Million	Total RM Million
Total segment results	885.1	138.7	-	1,023.8	775.7	155.0	-	930.7
Unallocated corporate net expenses	(8.2)	-	-	(8.2)	(9.8)	-	-	(9.8)
Profit before interest and taxation	876.9	138.7	-	1,015.6	765.9	155.0	-	920.9
Finance costs	(103.3)	(18.2)	13.9	(107.6)	(109.0)	(15.4)	12.4	(112.0)
Interest income	34.4	4.9	(13.9)	25.4	33.6	0.7	(12.4)	21.9
Net foreign currency translation gain/(loss) on foreign currency denominated borrowings	265.0	-	-	265.0	(502.0)	-	-	(502.0)
Profit before taxation	1,073.0	125.4	-	1,198.4	188.5	140.3	-	328.8
Taxation	(203.7)	(28.8)	-	(232.5)	(165.4)	(24.8)	-	(190.2)
Profit for the period	869.3	96.6	-	965.9	23.1	115.5	-	138.6

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

There were no material changes in segment assets and segment liabilities from the amount disclosed in the last audited annual financial statements.

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

h) Material Events Subsequent to the End of Financial Period

There were no material events subsequent to 31 December 2017 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 31 December 2017, except for the classification of disposal group held for sale pursuant to Proposed Disposal as stated in Note 7 of this interim report.

j) Contingent Liabilities

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

Interim Report For The Financial Period Ended 31 December 2017

(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) **Q2 FY2018 vs. Q2 FY2017**

For Q2 FY2018, the Group reported a profit before taxation (“PBT”) of RM622.9 million as compared to RM52.5 million reported for Q2 FY2017. The higher PBT is due mainly to net foreign currency translation gain on foreign currency denominated borrowings and fair value gain on derivative financial instruments from the resource-based manufacturing segment. Excluding the net foreign currency translation gain of RM196.4 million (Q2 FY2017 – loss of RM330.0 million), and fair value gain on derivative financial instruments from the resource-based manufacturing segment of RM66.1 million (Q2 FY2017 – loss of RM46.5 million), the underlying PBT of RM360.4 million for Q2 FY2018 is 16% lower than the underlying PBT of RM429.0 million for Q2 FY2017. The lower underlying PBT is due mainly to lower contribution from all the segments.

Plantation

The plantation profit for Q2 FY2018 of RM340.9 million is 5% lower than the profit for Q2 FY2017 of RM357.9 million. The lower profit reported is due mainly to lower CPO and PK prices realised despite higher FFB production. Average CPO and PK prices realised for Q2 FY2018 were RM2,644/MT (Q2 FY2017 – RM2,768/MT) and RM2,621/MT (Q2 FY2017 – RM2,882/MT) respectively.

Resource-based Manufacturing

The resource-based manufacturing segment reported a profit of RM128.3 million for Q2 FY2018 as compared to RM71.9 million reported for Q2 FY2017. Excluding the fair value gain/loss on derivative financial instruments, the underlying profit for resource-based manufacturing segment of RM62.2 million for Q2 FY2018 is 47% lower than the underlying profit of RM118.4 million for Q2 FY2017. This is mainly due to loss reported from the merchandising activities, mitigated by better performance from the oleochemical sub-segment.

Discontinued Operations (Resource-based Manufacturing)

For Q2 FY2018, the Group reported a profit from the discontinued operations of RM77.5 million as compared to RM62.9 million reported for Q2 FY2017. The discontinued operations comprise of the resource-based manufacturing businesses pending the divestment of 70% equity interest in Loders Croklaan Group B.V.. The higher profit for Q2 FY2018 is due mainly to the higher sales volume achieved.



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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)****a) Q2 FY2018 vs. Q2 FY2017 (Continued)**

The analysis of contribution by segment is as follow:

	CURRENT YEAR QUARTER				PRECEDING YEAR CORRESPONDING QUARTER				DIFFERENCE RM Million
	Continuing operations RM Million	Discontinued operations RM Million	Adjustment* RM'Million	Total RM'Million	Continuing operations RM Million	Discontinued operations RM Million	Adjustment* RM Million	Total RM Million	
Continuing operations									
Plantation before fair value adjustments	352.2	-	-	352.2	382.1	-	-	382.1	(29.9)
Fair value loss on biological assets	(10.5)	-	-	(10.5)	(21.0)	-	-	(21.0)	10.5
Fair value loss on derivative financial instruments	(0.8)	-	-	(0.8)	(3.2)	-	-	(3.2)	2.4
Plantation	340.9	-	-	340.9	357.9	-	-	357.9	(17.0)
Resource-based manufacturing before fair value gain/(loss) on derivative financial instruments	62.2	90.6	-	152.8	118.4	60.4	-	178.8	(26.0)
Fair value gain/(loss) on derivative financial instruments	66.1	12.4	-	78.5	(46.5)	23.1	-	(23.4)	101.9
Resource-based manufacturing	128.3	103.0	-	231.3	71.9	83.5	-	155.4	75.9
Other operations	1.9	-	-	1.9	3.6	-	-	3.6	(1.7)
Segment results	471.1	103.0	-	574.1	433.4	83.5	-	516.9	57.2
Unallocated corporate net expenses	(12.2)	-	-	(12.2)	(12.3)	-	-	(12.3)	0.1
Profit before interest and taxation	458.9	103.0	-	561.9	421.1	83.5	-	504.6	57.3
Finance costs	(49.2)	(8.2)	6.2	(51.2)	(53.4)	(7.7)	6.2	(54.9)	3.7
Interest income	16.8	4.3	(6.2)	14.9	14.8	0.5	(6.2)	9.1	5.8
Net foreign currency translation gain/(loss) on foreign currency denominated borrowings	196.4	-	-	196.4	(330.0)	-	-	(330.0)	526.4
Profit before taxation	622.9	99.1	-	722.0	52.5	76.3	-	128.8	593.2

*: Inter-operations charges within continuing operations and discontinued operations.

Interim Report For The Financial Period Ended 31 December 2017

(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) **Q2 YTD FY2018 vs. Q2 YTD FY2017**

For Q2 YTD FY2018, the Group reported a PBT of RM1,073.0 million as compared to the PBT of RM188.5 million reported for Q2 YTD FY2017. The higher PBT is due mainly to net foreign currency translation gain on foreign currency denominated borrowings and fair value gain on derivative financial instruments from the resource-based manufacturing segment. Excluding the net foreign currency translation gain of RM265.0 million (Q2 YTD FY2017 – loss of RM502.0 million) on foreign currency denominated borrowings, and fair value gain on derivative financial instruments from the resource-based manufacturing segment of RM44.6 million (Q2 YTD FY2017 – loss of RM93.1 million), the underlying PBT of RM763.4 million for Q2 YTD FY2018 is marginally lower than the underlying PBT of RM783.6 million for Q2 YTD FY2017.

Plantation

The plantation profit of RM646.5 million for Q2 YTD FY2018 is lower than the profit reported for Q2 YTD FY2017 of RM704.5 million. The lower profit reported is due mainly to fair value loss on biological assets for Q2 YTD FY2018 of RM9.5 million (Q2 YTD FY2017 – gain of RM14.4 million). Excluding the fair value loss/gain on biological assets, the underlying profit for plantation segment of RM656.0 million for Q2 YTD FY2018 is 5% lower than the underlying profit of RM690.1 million for Q2 YTD FY2017, due mainly to lower PK prices and lower CPO extraction rate, mitigated by higher FFB production.

Resource-based Manufacturing

The resource-based manufacturing profit of RM234.9 million for Q2 YTD FY2018 is 254% higher than profit of RM66.3 million reported for Q2 YTD FY2017. Excluding the fair value gain/loss on derivative financial instruments, the underlying profit for resource-based manufacturing of RM190.3 million for Q2 YTD FY2018 is 19% higher than RM159.4 million reported for Q2 YTD FY2017. This is mainly due to higher sales volume from the oleochemical and refining sub-segments as well as higher margins derived from the oleochemical sub-segment.

Discontinued Operations (Resource-based Manufacturing)

For Q2 YTD FY2018, the Group reported a profit from the discontinued operations of RM96.6 million as compared to RM115.5 million reported for Q2 YTD FY2017. The discontinued operations for Q2 YTD FY2018 comprise of the resource-based manufacturing businesses pending the divestment of 70% equity interest in Loders Croklaan Group B.V., whereas for Q2 YTD FY2017, the discontinued operations has also included an one-off gain of RM10.4 million on the disposal of a subsidiary's assets. Apart from the one-off gain, the lower profit for Q2 YTD FY2018 is due mainly to the lower margins.

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(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 a PBT of RM622.9 million for Q2 FY2018 as compared to PBT of RM450.1 million for Q1 FY2018. Excluding the net foreign currency translation gain of RM196.4 million (Q1 FY2018 – RM68.6 million), and fair value gain on derivative financial instruments from the resource-based manufacturing segment of RM66.1 million (Q1 FY2018 – loss of RM21.5 million), the underlying PBT of RM360.4 million for Q2 FY2018 is 11% lower than the underlying PBT of RM403.0 million for Q1 FY2018, due mainly to lower contribution from the resource-based manufacturing segment.

Details of the segmental results are as follows:

Plantation

The plantation profit increased by 12% to RM340.9 million for Q2 FY2018 as compared to RM305.6 million reported for Q1 FY2018, attributable mainly to higher FFB production. FFB production for Q2 FY2018 was 1,016,353MT as compared to 869,838MT for Q1 FY2018, i.e. an increase of 17%.

Resource-based Manufacturing

The resource-based manufacturing segment reported a profit of RM128.3 million for Q2 FY2018 as compared to RM106.6 million reported for Q1 FY2018. Excluding the fair value gain/loss on derivative financial instruments, the underlying profit for resource-based manufacturing segment of RM62.2 million for Q2 FY2018 is 51% lower than the underlying profit of RM128.1 million for Q1 FY2018. This is mainly due to lower margins from the oleochemical and refining sub-segments.



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(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 (Continued)

The analysis of contribution by segment is as follows:

	CURRENT QUARTER				PRECEDING QUARTER				DIFFERENCE RM Million
	Continuing operations RM Million	Discontinued operations RM Million	Adjustment* RM Million	Total RM Million	Continuing operations RM Million	Discontinued operations RM Million	Adjustment* RM Million	Total RM Million	
Plantation before fair value adjustments	352.2	-	-	352.2	303.9	-	-	303.9	48.3
Fair value (loss)/gain on biological assets	(10.5)	-	-	(10.5)	1.0	-	-	1.0	(11.5)
Fair value (loss)/gain on derivative financial instruments	(0.8)	-	-	(0.8)	0.7	-	-	0.7	(1.5)
Plantation	340.9	-	-	340.9	305.6	-	-	305.6	35.3
Resource-based manufacturing before fair value gain/(loss) on derivative financial instruments	62.2	90.6	-	152.8	128.1	10.9	-	139.0	13.8
Fair value gain/(loss) on derivative financial instruments	66.1	12.4	-	78.5	(21.5)	24.8	-	3.3	75.2
Resource-based manufacturing	128.3	103.0	-	231.3	106.6	35.7	-	142.3	89.0
Other operations	1.9	-	-	1.9	1.8	-	-	1.8	0.1
Segment results	471.1	103.0	-	574.1	414.0	35.7	-	449.7	124.4
Unallocated corporate net (expenses)/income	(12.2)	-	-	(12.2)	4.0	-	-	4.0	(16.2)
Profit before interest and taxation	458.9	103.0	-	561.9	418.0	35.7	-	453.7	108.2
Finance costs	(49.2)	(8.2)	6.2	(51.2)	(54.1)	(10.0)	7.7	(56.4)	5.2
Interest income	16.8	4.3	(6.2)	14.9	17.6	0.6	(7.7)	10.5	4.4
Net foreign currency translation gain on foreign currency denominated borrowings	196.4	-	-	196.4	68.6	-	-	68.6	127.8
Profit before taxation	622.9	99.1	-	722.0	450.1	26.3	-	476.4	245.6

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

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(The figures have not been audited)

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

3) Prospects

With the resilient CPO price and the continued recovery of FFB production from the low production in the previous financial year, we expect the performance of the plantation segment to be positive during the next three months.

As for the resource-based manufacturing segment, both the oleochemical and specialty fats sub-segments are expected to perform well during the next six months as the global and regional economies continue their steady growth.

The divestment of the 70% equity interest in Loders Croklaan Group B.V., our specialty fats business is expected to be completed in the 3rd quarter of financial year 2018. The reduction of earnings arising from this divestment will be partly offsetted by the savings in interest expense from the reduction in borrowings and interest income from the balance of divestment proceeds pending new investment opportunity.

The Ringgit-US Dollar exchange rate which has strengthened considerably in the recent months has resulted in substantial foreign exchange translation gain from our US Dollar-denominated borrowings. The outlook for Ringgit remains positive during the next three months which would reduce the risk of foreign exchange translation loss from these borrowings.

Overall, the Group is expected to continue to deliver satisfactory performance in the 2018 financial year.

4) Achievability of Forecast Results

Not applicable.

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

Not applicable.

6) Taxation

	INDIVIDUAL QUARTER (Q2)		CUMULATIVE QUARTER (6 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM Million	RM Million	RM Million	RM Million
The tax expense comprises the following:				
Current taxation				
- Current year	105.5	95.5	204.4	184.3
- Prior years	0.7	(2.5)	4.1	(2.0)
Deferred taxation				
- Current year	(8.9)	(4.2)	(4.8)	(15.3)
- Prior years	-	-	-	(1.6)
	97.3	88.8	203.7	165.4

The effective tax rate of the Group for Q2 FY2018 and Q2 YTD FY2018 are lower than the statutory tax rate due principally to the non-taxable net foreign currency translation gain on foreign currency denominated borrowings offset against other non-allowable expenses incurred by the Group.

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

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

7) Corporate Proposal

The status of corporate proposal announced by the Group but not completed as at 16 February 2018 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

Proposed Disposal

Proposal	<p>On 12 September 2017, the Company entered into a definitive share purchase agreement (“SPA”) with Koninklijke Bunge B.V. (“KBBV”), a wholly-owned subsidiary of Bunge Limited, for the disposal of 70.0% equity interest in Loders Croklaan Group B.V. (“Loders”) (after completion of the Internal Restructuring (as defined herein)), to KBBV for a total cash consideration of EUR297.0 million plus USD595.0 million, subject to certain adjustments in accordance with the terms and conditions of the SPA (“Proposed Disposal”). Loders is part of the resource-based manufacturing segment of the Group.</p> <p>As part of the conditions precedent of the SPA, prior to the completion of the Proposed Disposal, the Company is required to complete an internal restructuring exercise which involves Loders acquiring all the Company’s equity interest in IOI Lipid Enzymtec Sdn Bhd and IOI Edible Oils (HK) Limited (“Internal Restructuring”).</p> <p>After completion of the Proposed Disposal, KBBV and the Company will hold equity interests of 70.0% and 30.0% in Loders respectively.</p>
Adviser	AmInvestment Bank Berhad
Status	All required approvals as set out in the SPA have been obtained. The Proposed Disposal is now pending the fulfillment of all other conditions precedent of the SPA.

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

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

8) Group Borrowings and Debts Securities

As at 31 December 2017	Long term		Short term		Total borrowings	
	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)
Continuing operations						
Unsecured						
Denominated in USD						
Notes	597.2	2,424.5	-	-	597.2	2,424.5
Islamic financing facilities	360.0	1,460.5	318.9	1,294.6	678.9	2,755.1
Trade financing	-	-	49.7	201.6	49.7	201.6
Denominated in JPY						
Term loans	21,000.0	755.1	-	-	21,000.0	755.1
Denominated in EUR						
Islamic financing facilities	58.0	281.4	10.0	48.5	68.0	329.9
Trade financing	-	-	27.2	132.0	27.2	132.0
Finance lease obligation	1.8	8.8	-	-	1.8	8.8
Denominated in IDR						
Trade financing	-	-	9,000.0	2.7	9,000.0	2.7
		4,930.3		1,679.4		6,609.7
Discontinued operations						
Unsecured						
Denominated in USD						
Trade financing	-	-	14.0	56.5	14.0	56.5
Denominated in EUR						
Trade financing	-	-	74.4	360.8	74.4	360.8
Denominated in RM						
Trade financing	-	-	-	50.4	-	50.4
		-		467.7		467.7
Total		4,930.3		2,147.1		7,077.4

As at 31 December 2016	Long term		Short term		Total borrowings	
	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)
Unsecured						
Denominated in USD						
Notes	596.7	2,675.9	-	-	596.7	2,675.9
Islamic financing facilities	479.7	2,152.5	198.9	892.2	678.6	3,044.7
Trade financing	-	-	53.6	240.9	53.6	240.9
Denominated in JPY						
Term loans	21,000.0	810.5	-	-	21,000.0	810.5
Denominated in EUR						
Islamic financing facilities	70.0	331.8	-	-	70.0	331.8
Trade financing	-	-	58.0	274.8	58.0	274.8
Finance lease obligation	1.8	8.6	-	-	1.8	8.6
Denominated in RM						
Trade financing	-	-	-	106.3	-	106.3
Total		5,979.3		1,514.2		7,493.5

Exchange rates applied

	As at 31 December 2017	As at 31 December 2016
USD/RM	4.0595	4.4845
JPY100/RM	3.5955	3.8595
EUR/RM	4.8489	4.7375
IDR1000/RM	0.2993	0.3337

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(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 31 December 2017 are as follows:

	Contract/Notional Value (Million) Net (short)/ long				Fair Value – assets/(liabilities) (RM Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Vanilla Contracts									
USD/RM	USD	(444.1)	-	-	(444.1)	50.5	-	-	50.5
EUR/RM	EUR	(29.5)	-	-	(29.5)	2.2	-	-	2.2
USD/EUR	USD	220.7	-	-	220.7	(21.6)	-	-	(21.6)
EUR/GBP	GBP	(5.7)	-	-	(5.7)	0.1	-	-	0.1
EUR/CAD	CAD	(4.5)	-	-	(4.5)	0.2	-	-	0.2
JPY/RM	JPY	(675.3)	-	-	(675.3)	0.6	-	-	0.6
GBP/RM	GBP	(0.8)	-	-	(0.8)	-	-	-	-
USD/CAD	CAD	(0.8)	-	-	(0.8)	-	-	-	-
CAD/USD	USD	4.3	-	-	4.3	(0.2)	-	-	(0.2)
RM/RMB	RMB	(149.9)	-	-	(149.9)	1.5	-	-	1.5
						33.3	-	-	33.3

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.

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(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 31 December 2017 are as follows:

	Contract/Notional Value (Million) Net long/(short)				Fair Value – (liabilities)/assets (RM Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Forward Contracts	USD	26.4	-	-	26.4	(5.3)	-	-	(5.3)
	RM	148.7	-	-	148.7	0.2	-	-	0.2
						(5.1)	-	-	(5.1)
Futures	USD	3.6	-	-	3.6	0.2	-	-	0.2
	RM	(35.3)	-	-	(35.3)	6.0	-	-	6.0
						6.2	-	-	6.2

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 31 December 2017 are as follows:

	Contract/Notional Value (Million)				Fair Value – assets/(liabilities) (RM Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
JPY liability to USD liability ¹	JPY	-	-	15,000.0	15,000.0	-	-	95.9	95.9
JPY liability to USD liability ²	JPY	-	-	6,000.0	6,000.0	-	-	37.3	37.3
Fixed rate USD liability to fixed rate EUR liability ³	USD	-	-	100.0	100.0	-	-	(48.2)	(48.2)
Floating rate USD liability to fixed rate EUR liability ⁴	USD	-	-	100.0	100.0	-	-	(21.4)	(21.4)

¹ 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.

² 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.

³ The contracts effectively swapped part of the Group's USD600 million 4.375% Guaranteed Notes due 2022 into fixed rate EUR liability and serve as a net investments hedge against the Group's Euro denominated assets.

⁴ The contracts effectively swapped part of the Group's USD110 million floating rate Foreign Currency Revolving Credit Facility-i (FCRC-i) into fixed rate EUR liability and serve as a net investments hedge against the Group's Euro denominated assets.

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

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(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 31 December 2017 are as follows:

	Contract/Notional Value (Million)					Fair Value – assets (RM Million)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Interest Rate Swaps ¹	USD	-	-	110.0	110.0	-	-	5.2	5.2

¹ 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 were initially recognised at fair value on the date the derivative contracts were entered into. The derivatives were subsequently remeasured at fair value and the changes in fair value were recognised as follows:

- i. Derivatives recognised in the other comprehensive income pursuant to hedge accounting
 - Cross currency swap contract which swapped a fixed rate USD100.0 million liability to a fixed rate EUR90.9 million liability; and
 - Cross currency swap contract which swapped a floating rate USD100.0 million liability to a fixed rate EUR90.1 million liability.
- ii. Derivatives recognised in the profit or loss
 - All other derivatives other than those mentioned in (i) above.

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(The figures have not been audited)

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

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		
	RMMillion	RMMillion		
Forward foreign exchange contracts	9.3	27.5	The difference between the contracted rates and the market forward rates	The exchange rates have moved favourably for the Group from the last measurement date
Commodity futures	(3.1)	(0.1)	The difference between the contracted prices rate and forward prices	The prices for the respective commodity futures have moved unfavourably against the Group from the last measurement date
Commodity forward contracts	19.1	(15.3)	The difference between the contracted prices rate and forward prices	The prices for the respective commodity forward contracts have moved favourably for/(unfavourably against) the Group from the last measurement date
Cross currency swap contracts	(15.3)	(47.1)	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 unfavourably against the Group from the last measurement date
Interest rate swap contracts	0.8	2.5	The difference between fixed and floating interest rates	The floating interest rate has moved favourably for the Group from the last measurement date

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(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
Total retained profits of IOI Corporation Berhad and its subsidiaries:	
- Realised	8,506.0
- Unrealised	2,134.0
	10,640.0
 Total share of retained profits from associated companies:	
- Realised	380.6
- Unrealised	221.6
	602.2
 Total share of accumulated losses from joint ventures:	
- Realised	(16.9)
- Unrealised	-
	(16.9)
	11,225.3
Less: Consolidation adjustments	(3,948.4)
Total Group retained profits	7,276.9



IOI GROUP

IOI CORPORATION BERHAD (9027-W)

(Incorporated in Malaysia)

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(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 (crediting)/charging:

	CURRENT YEAR QUARTER (31/12/17)				CURRENT YEAR TO DATE (31/12/17)			
	Continuing operations RM Million	Discontinued operations RM Million	Adjustment* RM Million	Total RM Million	Continuing operations RM Million	Discontinued operations RM Million	Adjustment* RM Million	Total RM Million
Interest income	(16.8)	(4.3)	6.2	(14.9)	(34.4)	(4.9)	13.9	(25.4)
Other income including investment income								
- Dividend income	(1.1)	-	-	(1.1)	(1.6)	-	-	(1.6)
Finance costs	49.2	8.2	(6.2)	51.2	103.3	18.2	(13.9)	107.6
Depreciation and amortisation	98.4	-	-	98.4	189.6	30.7	-	220.3
Net receivables (written back)/written down	-	(0.1)	-	(0.1)	-	0.2	-	0.2
Net inventories written down/(written back)	7.2	-	-	7.2	0.5	(3.0)	-	(2.5)
Net foreign currency translation gain on foreign currency denominated borrowings	(196.4)	-	-	(196.4)	(265.0)	-	-	(265.0)
Foreign currency exchange (gain)/loss	(3.9)	13.4	-	9.5	(23.8)	41.4	-	17.6
Gain on derivatives	(65.3)	(12.4)	-	(77.7)	(44.5)	(37.2)	-	(81.7)
Net loss arising from changes in fair value of biological assets	10.5	-	-	10.5	9.5	-	-	9.5

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

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.

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(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 2017.

14) Dividend

The Board has declared an interim single tier dividend of 4.5 sen (31 December 2016: 4.5 sen) per ordinary share in respect of the financial year ending 30 June 2018 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 30 March 2018 to shareholders whose names appear in the Record of Depositors and Register of Members of the Company at the close of business on 20 March 2018.

A Depositor shall qualify for entitlement only in respect of:

- Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 20 March 2018 in respect of transfers; and
- Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 16 March 2018 (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 cash dividend declared to date for the current financial year is a single tier dividend of 4.5 sen (31 December 2016: 4.5 sen) per ordinary share.

15) Earnings/(loss) per Share

	INDIVIDUAL QUARTER (Q2)		CUMULATIVE QUARTER (6 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM Million	RM Million	RM Million	RM Million
a) Basic earnings/(loss) per share				
Profit/(loss) for the period attributable to owners of the parent				
From continuing operations	518.4	(47.3)	859.3	4.9
From discontinued operations	77.5	62.9	96.6	115.5
	595.9	15.6	955.9	120.4
Weighted average number of ordinary shares in issue (Million)	6,283.9	6,288.1	6,283.9	6,288.2
Basic (sen)				
From continuing operations	8.25	(0.75)	13.67	0.08
From discontinued operations	1.23	1.00	1.54	1.84
Total	9.48	0.25	15.21	1.92

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(The figures have not been audited)

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

15) Earnings/(loss) per Share (Continued)

	INDIVIDUAL QUARTER (Q2)		CUMULATIVE QUARTER (6 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) Diluted earnings/(loss) per share				
Profit/(loss) for the period attributable to owners of the parent				
From continuing operations	518.4	(47.3)	859.3	4.9
From discontinued operations	77.5	62.9	96.6	115.5
	595.9	15.6	955.9	120.4
Adjusted weighted average number of ordinary shares in issue (Million)				
Weighted average number of ordinary shares in issue	6,283.9	6,288.1	6,283.9	6,288.2
Assumed exercise of Executive Share Options at beginning of period	0.3	-	0.3	-
	6,284.2	6,288.1	6,284.2	6,288.2
Diluted (sen)				
From continuing operations	8.25	(0.75)	13.67	0.08
From discontinued operations	1.23	1.00	1.54	1.84
Total	9.48	0.25	15.21	1.92

16) Audit Qualification

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

By Order of the Board

Tan Choong Khiang
Company Secretary

Putrajaya
23 February 2018

Interim Report For The Financial Period Ended 31 December 2017

(The figures have not been audited)

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

Group Plantation Statistics

		As At 31/12/2017	As At 31/12/2016
Planted Area			
Oil palm			
Mature	<i>(hectares)</i>	149,980	147,095
Total planted	<i>(hectares)</i>	175,198	174,589
Rubber			
Mature	<i>(hectares)</i>	415	415
Total planted	<i>(hectares)</i>	470	470
Total Titled Area	<i>(hectares)</i>	217,760	217,917

		31/12/2017 (6 months)	31/12/2016 (6 months)
Average Mature Area Harvested			
Oil Palm	<i>(hectares)</i>	147,426	144,935
Production			
Oil Palm			
FFB production	<i>(tonnes)</i>	1,886,192	1,700,576
Yield per mature hectare	<i>(tonnes)</i>	12.79	11.73
FFB processed	<i>(tonnes)</i>	1,939,153	1,741,351
Crude palm oil production	<i>(tonnes)</i>	408,269	378,935
Palm kernel production	<i>(tonnes)</i>	93,512	84,230
Crude palm oil extraction rate	<i>(%)</i>	21.05%	21.76%
Palm kernel extraction rate	<i>(%)</i>	4.82%	4.84%
Average Selling Price Realised			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	2,650	2,614
Palm kernel	<i>(RM/tonne)</i>	2,468	2,745