



**IOI GROUP**

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

(Incorporated in Malaysia)

**Interim Report  
For The Financial Period Ended  
31 March 2007**

**Interim report for the financial period ended 31 March 2007**

(The figures have not been audited)

**Condensed Consolidated Income Statement**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER (Restated)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD (Restated)
	31/03/2007 RM'000	31/03/2006 RM'000	31/03/2007 RM'000	31/03/2006 RM'000
<b>Revenue</b>	<b>2,271,783</b>	1,452,193	<b>6,410,953</b>	4,460,578
<b>Operating profit</b>	<b>543,363</b>	299,061	<b>1,417,735</b>	918,790
Interest income	<b>20,482</b>	5,614	<b>32,656</b>	17,818
Finance cost	<b>(43,857)</b>	(32,197)	<b>(97,183)</b>	(98,870)
Share of profits of associates	<b>7,081</b>	9,740	<b>35,366</b>	37,307
<b>Profit before taxation</b>	<b>527,069</b>	282,218	<b>1,388,574</b>	875,045
Taxation	<b>(101,646)</b>	(43,253)	<b>(271,374)</b>	(147,963)
<b>Profit for the period</b>	<b>425,423</b>	238,965	<b>1,117,200</b>	727,082
Attributable to:				
Equity holders of the parent	<b>392,173</b>	214,829	<b>1,030,443</b>	617,094
Minority interest	<b>33,250</b>	24,136	<b>86,757</b>	109,988
	<b>425,423</b>	238,965	<b>1,117,200</b>	727,082
Earnings per share (sen)				
Basic	<b>31.68</b>	18.74	<b>84.15</b>	54.65
Diluted	<b>28.67</b>	16.36	<b>78.77</b>	49.96

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to this interim financial report.)

**Interim report for the financial period ended 31 March 2007**

(The figures have not been audited)

**Condensed Consolidated Balance Sheet**

	AS AT END OF CURRENT QUARTER  31/03/2007 RM'000	AS AT PRECEDING FINANCIAL YEAR END  (Restated) 30/06/2006 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	4,576,527	4,134,794
Prepaid lease payments	805,967	790,509
Land held for property development	732,542	628,327
Investment properties	553,981	542,576
Other long term investments	28,919	30,376
Goodwill on consolidation	474,608	415,830
Associates	303,562	275,146
Deferred tax assets	81,426	95,389
	7,557,532	6,912,947
<b>Current assets</b>		
Property development costs	416,220	356,207
Inventories	1,211,144	907,895
Receivables	1,425,425	932,028
Short term investments	2,032	2,032
Short term funds	290,465	460,633
Short term deposits	1,566,090	418,595
Cash and bank balances	379,751	349,110
	5,291,127	3,426,500
<b>TOTAL ASSETS</b>	<b>12,848,659</b>	<b>10,339,447</b>

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to this interim financial report.)

**Interim report for the financial period ended 31 March 2007**

(The figures have not been audited)

**Condensed Consolidated Balance Sheet (Continued)**

	<b>AS AT END OF CURRENT QUARTER</b>	<b>AS AT PRECEDING FINANCIAL YEAR END</b>
	<b>31/03/2007 RM'000</b>	<b>(Restated) 30/06/2006 RM'000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	619,187	605,267
Share premium	2,097,265	1,855,765
Other reserves	62,937	(108,032)
Retained profits	4,263,230	3,706,536
	<b>7,042,619</b>	<b>6,059,536</b>
<b>Minority interests</b>	<b>773,536</b>	<b>749,132</b>
<b>Total equity</b>	<b>7,816,155</b>	<b>6,808,668</b>
<b>Non-current liabilities</b>		
Long term borrowings	3,398,299	2,334,231
Other long term liabilities	58,498	55,823
Deferred tax liabilities	450,377	430,885
	<b>3,907,174</b>	<b>2,820,939</b>
<b>Current liabilities</b>		
Payables	738,222	525,412
Bank overdrafts	15,667	7,897
Short term borrowings	246,591	153,656
Provision for taxation	124,850	22,875
	<b>1,125,330</b>	<b>709,840</b>
<b>Total liabilities</b>	<b>5,032,504</b>	<b>3,530,779</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,848,659</b>	<b>10,339,447</b>
<b>Net assets per share attributable to equity holders of the parent (RM)</b>	<b>5.69</b>	<b>5.04</b>

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to this interim financial report.)

**Interim report for the financial period ended 31 March 2007**

(The figures have not been audited)

**Condensed Consolidated Cash Flow Statement**

	<b>9 Months Ended 31/03/2007 RM'000</b>	<b>9 Months Ended 31/03/2006 RM'000 (Restated)</b>
<b>Operating Activities</b>		
Profit before taxation	1,388,574	875,045
Adjustments for:		
Depreciation and amortisation	131,420	142,203
Other non-cash items	(126,145)	(47,925)
Operating profit before working capital changes	<u>1,393,849</u>	<u>969,323</u>
Net changes in working capital	(377,720)	(287,331)
Cash generated from operations	<u>1,016,129</u>	<u>681,992</u>
Other payments	(333)	(666)
Taxes paid	(181,876)	(191,524)
<b>Net cash inflow from operating activities</b>	<b><u>833,920</u></b>	<b><u>489,802</u></b>
<b>Investing Activities</b>		
Equity investments	(463,394)	(418,579)
Property, plant and equipment	(118,733)	(243,639)
Investment in land held for development	(175,877)	-
Other investments	(47,615)	(35,096)
<b>Net cash outflow from investing activities</b>	<b><u>(805,619)</u></b>	<b><u>(697,314)</u></b>
<b>Financing Activities</b>		
Issuance of 2nd Exchangeable Bonds	1,314,980	-
Dividends paid	(481,130)	(413,919)
Dividends paid (minority shareholders)	(48,321)	(47,356)
Issuance/repurchase of shares (net)	(87,291)	(92,319)
Issuance/repurchase of shares (subsidiary)(net)	(319)	(29,386)
Bank borrowings	276,041	17,007
<b>Net cash inflow/(outflow) from financing activities</b>	<b><u>973,960</u></b>	<b><u>(565,973)</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,002,261</b>	<b>(773,485)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>1,220,441</b>	<b>1,958,141</b>
<b>Effect of exchange rate changes</b>	<b>(2,063)</b>	<b>(1,117)</b>
<b>Cash and cash equivalents at end of period</b>	<b><u>2,220,639</u></b>	<b><u>1,183,539</u></b>

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to this interim financial report.)



**Interim report for the financial period ended 31 March 2007**

(The figures have not been audited)

**Condensed Consolidated Statement Of Changes In Equity**

(RM'000)	Attributable to equity holders of the parent								Minority interest	Total equity	
	Share capital	Share premium	Revaluation surplus	Capital reserve	Foreign exchange fluctuation reserve	Reserve on consolidation	Retained profits	Treasury shares			Total
<b>As at 1 July 2006</b>											
<b>As previously reported</b>	605,267	1,855,765	82,290	86,688	(101,318)	6,512	3,606,907	(108,188)	6,033,923	746,984	6,780,907
Changes in accounting policies:											
- Transfer of revaluation surplus to retained earnings	-	-	(82,290)	-	-	-	82,290	-	-	-	-
- Transfer of reserve on consolidation to retained profits	-	-	-	-	-	(6,512)	6,512	-	-	-	-
- Transfer of discount on acquisition of associates to retained earnings	-	-	-	-	-	-	25,613	-	25,613	2,148	27,761
- Recognition of share options expenses	-	-	-	14,786	-	-	(14,786)	-	-	-	-
<b>As restated</b>	605,267	1,855,765	-	101,474	(101,318)	-	3,706,536	(108,188)	6,059,536	749,132	6,808,668
Net gain not recognised in income statement	-	-	-	-	(5,813)	-	-	-	(5,813)	(562)	(6,375)
Net profit for the period	-	-	-	-	-	-	1,030,443	-	1,030,443	86,757	1,117,200
Dividend paid in respect of previous financial year	-	-	-	-	-	-	(164,779)	-	(164,779)	-	(164,779)
Dividend paid in respect of current financial year	-	-	-	-	-	-	(316,351)	-	(316,351)	-	(316,351)
Issue of shares arising from conversion of Exchangeable Bonds	20,563	434,282	-	(46,306)	-	-	2,614	-	411,153	-	411,153
Issue of shares arising from exercise of share options	713	20,535	-	(3,410)	-	-	-	-	17,838	-	17,838
Repurchase of shares	-	-	-	-	-	-	-	(105,129)	(105,129)	-	(105,129)
Cancellation of treasury shares	(7,356)	(213,317)	-	7,356	-	-	-	213,317	-	-	-
Restatement of investment property reclassified from property, plant and equipment to fair value	-	-	3,340	-	-	-	-	-	3,340	-	3,340
Arising from disposal of subsidiary	-	-	-	(4,767)	-	-	4,767	-	-	-	-
Recognition of share option expenses	-	-	-	20,373	-	-	-	-	20,373	450	20,823
Equity component of 2nd Exchangeable Bonds	-	-	-	92,023	-	-	-	-	92,023	-	92,023
Arising from exercise of share options in a subsidiary	-	-	-	(15)	-	-	-	-	(15)	(6)	(21)
Arising from acquisition of subsidiary	-	-	-	-	-	-	-	-	-	8,913	8,913
Arising from acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	-	(22,827)	(22,827)
Dividend paid to minority interest	-	-	-	-	-	-	-	-	-	(48,321)	(48,321)
<b>As at 31 March 2007</b>	619,187	2,097,265	3,340	166,728	(107,131)	-	4,263,230	-	7,042,619	773,536	7,816,155

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to this interim financial report.)



**Interim report for the financial period ended 31 March 2007**

(The figures have not been audited)

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

(RM'000)	Attributable to equity holders of the parent								Total	Minority interest	Total equity
	Share capital	Share premium	Revaluation surplus	Capital reserve	Foreign exchange fluctuation reserve	Reserve on consolidation	Retained profits	Treasury shares			
<b>As at 1 July 2005</b>	559,241	890,919	82,310	156,422	(101,357)	7,263	3,283,399	(15,869)	4,862,328	1,175,183	6,037,511
Net (loss)/gain not recognised in income statement	-	-	(20)	-	(31,606)	-	20	-	(31,606)	286	(31,320)
Net profit for the period	-	-	-	-	-	-	617,094	-	617,094	109,988	727,082
Dividend paid in respect of current financial year	-	-	-	-	-	-	(246,411)	-	(246,411)	-	(246,411)
Issue of shares arising from conversion of Exchangeable Bonds	17,953	379,170	-	(40,430)	-	-	8,802	-	365,495	-	365,495
Issue of shares arising from privatisation of a subsidiary	15,060	310,845	-	-	-	-	-	-	325,905	-	325,905
Difference between share of net assets acquired and consideration paid arising from the privatisation of a subsidiary	-	-	-	-	-	-	(283,733)	-	(283,733)	-	(283,733)
Repurchase of shares	-	-	-	-	-	-	-	(92,319)	(92,319)	-	(92,319)
Recognition of share option expenses	-	-	-	7,393	-	-	-	-	7,393	171	7,564
Amortisation for the period	-	-	-	-	-	(566)	-	-	(566)	-	(566)
Arising from changes in equity interest in subsidiaries	-	-	-	-	-	-	-	-	-	(498,346)	(498,346)
Dividends paid to minority interest	-	-	-	-	-	-	-	-	-	(47,356)	(47,356)
<b>As at 31 March 2006</b>	<b>592,254</b>	<b>1,580,934</b>	<b>82,290</b>	<b>123,385</b>	<b>(132,963)</b>	<b>6,697</b>	<b>3,379,171</b>	<b>(108,188)</b>	<b>5,523,580</b>	<b>739,926</b>	<b>6,263,506</b>

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

**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 2006.

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 2006.

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 2006 except for the adoption of the following new/revised FRSs which became effective for financial periods beginning on and after 1 January 2006:

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

Apart from the above, the Group has also early adopted the revised FRSs below which are effective for financial periods beginning on or after 1 October 2006:

FRS 117	Leases
FRS 124	Related Party Disclosures



**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

The adoption of FRS 5, 102, 108, 110, 116, 121, 127, 128, 132, 133 & 124 do not have any significant financial impact on the Group. The principal effects of changes in accounting polices resulting from the adoption of other new and revised FRSs are as follows:

**i. FRS 2: Share-based Payment**

This FRS requires an entity to recognise share-based payment transaction in its financial statements, including transactions with employees or other parties to be settled in cash, other assets, or equity instruments of the entity.

The Group operates equity settled, share-based compensation plans for the executives of the Group. Prior to 1 January 2006, no compensation expense was recognised in income statement for share options granted. With the adoption of FRS 2, the compensation expense relating to share options is recognised within staff costs in the income statement over the vesting periods of the grants with a corresponding increase in equity.

The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by the vesting date. The fair value of the share options is computed using a binomial options pricing model performed by an actuary. At every balance sheet date, the Group revises its estimates of the number of share options that are expected to vest by the vesting date. Any revision of the estimates is included in the income statement and a corresponding adjustment to equity over the remaining vesting period.

The share options of the Group were granted in January 2006, the financial impact to the Group arising from this change in accounting policy is as follow:

	<b>CUMULATIVE QUARTER (9 Mths)</b>	
	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD</b>
	<b>RM'000</b>	<b>RM'000</b>
Decrease in profit for the period attributable to:		
Equity holders of the parents	<b>(20,373)</b>	(7,393)
Minority interest	<b>(450)</b>	(171)

A reduction of RM14,786,000 to opening retained profits as at 1 July 2006 has been made with a corresponding increase in capital reserve.

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

**ii. FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets**

The adoption of these new FRSs has resulted in the Group ceasing annual goodwill amortisation and recognition of "negative goodwill" immediately in the income statement.

Goodwill is carried at cost less accumulated impairment losses and is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Any impairment loss is recognised in income statement and subsequent reversal is not allowed. Previously, goodwill was amortised on a straight-line basis over its estimated useful life. This change in accounting policy has been accounted for prospectively for business combinations where the agreement date is on or after 1 January 2006.

Accordingly, the balance unamortised goodwill with a carrying value of RM415,830,000 as at 1 July 2006 shall henceforth continue to be carried forward without amortisation but will be subject to impairment testing. This change in accounting policy has been applied prospectively and as such there is no restatement of comparative amounts.

The "negative goodwill" which represents the excess of fair value of the net assets acquired over the consideration paid in a business combination, after reassessment, is now recognised immediately in the income statement as it arises. Previously, this was taken up as reserve on consolidation and discount on acquisition of associates, and was stated at cost less accumulated amortisation.

The reserve on consolidation of RM6,512,000 and discount on acquisition of associates of RM27,761,000 as at 1 July 2006 have been derecognised with a corresponding adjustments to the retained profits.

The financial impact to the Group for the nine months period ended 31 March 2007 arising from the aforesaid changes in accounting policies is an increase in profit for the period attributable to a reduction of amortisation charges of RM20,946,000.

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

**iii. FRS 101: Presentation of Financial Statements**

The adoption of the revised FRS 101 has affected the presentation of minority interest, share of net results of associates and other disclosures. In the consolidated balance sheet, minority interest is now presented within equity. In the consolidated income statement, minority interest is presented as an allocation of the profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and minority interest.

The requirement of FRS 101, for a separate line item disclosure on "Biological Assets" has not been dealt with as currently there is no operative accounting standard in Malaysia that provides the definition of "Biological Assets".

The presentation of the Group's financial statements of the current period is based on the revised requirements of FRS 101, with the comparatives restated to conform to the current period's presentation. The changes in the presentation of financial statements for the nine months period ended 31 March 2006 are summarised as follows:

	<b>As previously reported</b>	<b>Effect of adoption of FRS 101</b>	<b>As restated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Share of profits of associates	48,472	(11,165)	37,307
Taxation	(159,128)	11,165	(147,963)

**iv. FRS 117: Leases**

The adoption of the revised FRS 117 has affected the presentation of leasehold land, leasehold plantation land and prepaid lease rental. These assets are now required to be presented as prepaid lease payments as a separate line item under non current assets and are amortised on a straight-line basis over the lease terms.

With the adoption of FRS 117, the reclassification of leasehold land, leasehold plantation land and prepaid lease rental has been accounted for retrospectively and a total amount of RM790,509,000 comprises the following has been reclassified to prepaid lease payments on 1 July 2006:

	<b>RM'000</b>
Long term leasehold plantations land	721,117
Long term leasehold land	6,545
Short term leasehold land	35,494
Prepaid lease rental	27,353
	<u>790,509</u>

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

**v. FRS 140: Investment Property**

The adoption of this new FRS has resulted in a change in accounting policy for investment properties. Investment properties are now stated at fair value. Gains or losses arising from changes in the fair values of investment properties are recognised directly in the income statement. Prior to 1 July 2006, investment properties were stated at valuation. Revaluations were carried out at least once every five years and any revaluation increase is taken to revaluation surplus unless the total of the surplus is insufficient to cover a deficit for the same assets, in which case the amount by which the deficit exceeds the amount in the revaluation surplus was charged to the income statement. The investment properties were last revalued in 2003. In accordance with the transitional provisions of FRS 140, this change in accounting policy is applied prospectively and the comparatives as at 30 June 2006 are not restated.

With the adoption of FRS 140, certain assets previously classified under property, plant and equipment amounted to RM29,600,000 has been reclassified to investment property as they meet the definition of investment property and the revaluation surplus of RM82,290,000 as at 1 July 2006 has been transferred to retained profits.

**vi. Summary of restatement of balance sheet in accordance with the adoption of new/revised FRSs**

The balance sheet as at 30 June 2006 has been restated in accordance with the adoption of new/revised FRSs as follows:

	<b>As reported previously</b>	<b>Effect of adoption of new/revised FRSs</b>	<b>As restated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Property, plant & equipment	4,927,550	(792,756)	4,134,794
Investment property	512,976	29,600	542,576
Prepaid lease payments	-	790,509	790,509
Associates	247,385	27,761	275,146
Receivables	959,381	(27,353)	932,028
Capital reserve	86,688	14,786	101,474
Revaluation surplus	82,290	(82,290)	-
Reserve on consolidation	6,512	(6,512)	-
Retained profit	3,606,907	99,629	3,706,536
Minority interest	746,984	2,148	749,132

**b) Audit Qualification**

The audit report of the Group's preceding year financial statements was not qualified.

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

**c) Seasonal or Cyclical Factors**

The traditional low crop season for oil palm for the third quarter has resulted in a 26% drop in FFB yield per mature hectare when compared with the immediate preceding quarter. Apart from this, there were no significant seasonal or cyclical factors that affect the business of the Group for the quarter under review.

**d) Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income and cash flows for the current financial year.

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

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

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

i) During the current financial year-to-date, the Company issued 41,125,140 new ordinary shares of RM0.50 each at RM11.06 arising from the exchange of USD119,696,000 nominal value Five Year Unsecured Exchangeable Guaranteed Bonds into new ordinary shares of the Company.

ii) During the current financial year-to-date, the Company issued 1,427,100 new ordinary shares of RM0.50 each at RM12.50 arising from the exercise of options granted under the Company's Executive Share Option Scheme.

iii) During the current financial year-to-date, the Company has repurchased 5,413,200 of its issued shares capital from the open market. The average price paid for the shares repurchased was RM19.42 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.

On 28 March 2007, the Company cancelled all its accumulated treasury shares of 14,712,900 shares which were bought back at a cumulative total consideration of RM213.4 million or at an average price of RM14.50 per share.

iv) During the second quarter of the current financial year, a subsidiary of the Company, IOI Capital (L) Berhad issued USD370 million nominal value of five (5)-year unsecured guaranteed zero coupon exchangeable Bonds ("2nd Exchangeable Bonds"). The 2nd Exchangeable Bonds are listed on the Singapore Exchange Securities Trading Limited and the Labuan International Financial Exchange.

The detailed terms and conditions of the Bonds are disclosed in our announcement to Bursa Malaysia on 14 December 2006.

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

**g) Dividends Paid**

	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM'000	RM'000
Interim dividend in respect of financial year ending 30 June 2007 - 35.0 sen per ordinary share less 27% income tax	<b>316,351</b>	-
Second interim dividend in respect of financial year ended 30 June 2006 - 13.5 sen per ordinary share tax exempt	<b>164,779</b>	-
Interim dividend in respect of financial year ended 30 June 2006 - 30.0 sen per ordinary share less 27% income tax	-	246,411
Second interim dividend in respect of financial year ended 30 June 2005 - 15.0 sen per ordinary share tax exempt	-	167,508
	<b>481,130</b>	<b>413,919</b>

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

**h) Segment Revenue & Results**

(RM'000)	Plantation	Property Development	Property Investment	Resource-based Manufacturing	Other Operations	Eliminations	Consolidated
<b>9 Months Ended 31/03/07</b>							
<b>REVENUE</b>							
External Sales	345,010	511,509	49,068	5,439,177	66,189	-	6,410,953
Inter-segment sales	788,343	-	-	-	-	(788,343)	-
<b>Total Revenue</b>	<b>1,133,353</b>	<b>511,509</b>	<b>49,068</b>	<b>5,439,177</b>	<b>66,189</b>	<b>(788,343)</b>	<b>6,410,953</b>
<b>RESULT</b>							
Segment results	668,746	275,374	30,235	311,776	35,697	-	1,321,828
Translation gain on USD denominated borrowings							122,954
Other unallocated corporate expenses							(27,047)
Operating profit							1,417,735
Finance cost							(97,183)
Interest income							32,656
Share of profits of associates	7,916	-	-	27,450	-	-	35,366
Profit before taxation							1,388,574
Taxation							(271,374)
<b>Profit for the period</b>							<b>1,117,200</b>
<b>9 Months Ended 31/03/06</b>							
<b>REVENUE</b>							
External sales	315,845	437,758	43,756	3,601,193	62,026	-	4,460,578
Inter-segment sales	665,747	-	-	-	-	(665,747)	-
<b>Total Revenue</b>	<b>981,592</b>	<b>437,758</b>	<b>43,756</b>	<b>3,601,193</b>	<b>62,026</b>	<b>(665,747)</b>	<b>4,460,578</b>
<b>RESULT</b>							
Segment results	502,639	225,073	26,961	81,673	15,998	-	852,344
Translation gain on USD denominated borrowings							82,246
Other unallocated corporate expenses							(15,800)
Operating profit							918,790
Finance cost							(98,870)
Interest income							17,818
Share of profits of associates	4,394	-	-	32,913	-	-	37,307
Profit before taxation							875,045
Taxation							(147,963)
<b>Profit for the period</b>							<b>727,082</b>

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Explanatory Notes**

**i) Valuations of Property, Plant & Equipment**

Valuations of investment properties have been brought forward, without amendments from the previous annual financial statements.

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

There were no material events subsequent to 31 March 2007 that has not been reflected in the financial statements.

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

There were no material changes in the composition of the Group during the financial period ended 31 March 2007 except for the following:

	<b>EFFECTIVE EQUITY INTEREST AS AT</b>	
	<b>31/03/2007</b>	<b>30/06/2006</b>
Palmco Hotels Sdn Bhd	-	100.0%
IOI Pelita Plantations Sdn Bhd <i>(formerly known as Rinwood Pelita Plantations Sdn Bhd)</i>	<b>70%</b>	-
IOI Pelita Quarry Sdn Bhd <i>(formerly known as Rinwood Pelita Quarry Sdn Bhd)</i>	<b>70%</b>	-
IOI Capital (L) Berhad	<b>100%</b>	-
IOI Resources (L) Berhad	<b>100%</b>	-
Pan Century Edible Oils Sdn Bhd	<b>100%</b>	-
Pan Century Oleochemicals Sdn Bhd	<b>100%</b>	-



**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

**1) Review of the Performance of the Company and Its Principal Subsidiaries**

Group revenue for the 9 months ended 31 March 2007 is 44% higher than corresponding period last year mainly because of increased volume from the resource-based manufacturing segment and higher palm oil prices.

The Group's pre-tax profit for the first 9 months of the current financial year was RM1,388.6 million, an increase of 59% as compared to the RM875.0 million reported for the same period last year. This is due to better performances from all major business segments.

Plantation earnings for the current 9 months was 33% higher than same period last year with CPO price averaging 19% higher at RM1,649 per MT compared to RM1,385 per MT whilst FFB production increased by 5% from 2,769,850 MT to 2,899,096 MT.

The resource-based manufacturing segment (including associates), achieved a multi-fold increase in operating profit to RM339.2 million compared to RM114.6 million previously with good performances from all 3 sub-segments, i.e. refinery, oleochemicals and specialty fats.

The property business also performed well with an increase of 21% in operating profit at RM305.6 million as compared to RM252.0 million for the same previous 9 months.

In the opinion of the Directors, the results for the financial period under review have not been affected by any transaction or event of a material or unusual nature which may have arisen between 31 March 2007 and the date of this announcement.

**IOI GROUP****IOI CORPORATION BERHAD** (9027-W)  
(Incorporation in Malaysia)**Interim Report For The Financial Period Ended 31 March 2007**

(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**

Group pre-tax profit for the current Q3 increased marginally over the Q2 despite it being a low production season for oil palm. Pre-tax profit for the Q3 was RM527.1 million as compared to RM522.8 million for Q2. At the respective business segment levels, strong performances from the property business where pre-tax contribution increased by 28% from RM99.0 million to RM126.5 million and resource-based manufacturing where pre-tax contribution increased by 44% from RM89.9 million to RM129.6 million offsetted slightly lower plantation earnings for the Q3. The reduction in pre-tax profit from plantation was relatively mild from RM260.4 million to RM238.1 million despite the traditional seasonal drop in FFB production in Q3 because the impact was cushioned by higher palm oil prices.

The analysis of contribution by segment is as follows:

	<b>CURRENT QUARTER RM'000</b>	<b>PRECEDING QUARTER RM'000</b>	<b>INCREASE/ (DECREASE) RM'000</b>	
Plantation	<b>238,142</b>	260,362	(22,220)	(8.5%)
Property development	<b>116,451</b>	89,202	27,249	
Property investment	<b>10,029</b>	9,831	198	
Total Property	<b>126,480</b>	99,033	27,447	27.7%
Resource-based manufacturing	<b>129,552</b>	89,948	39,604	44.0%
Other operations	<b>7,164</b>	9,331	(2,167)	
	<b>501,338</b>	458,674	42,664	9.3%
Unallocated corporate income *	<b>42,025</b>	74,445	(32,420)	
Operating profit	<b>543,363</b>	533,119	10,244	1.9%
Interest expense	<b>(43,857)</b>	(26,384)	(17,473)	66.2%
Interest income	<b>20,482</b>	3,342	17,140	512.9%
Share of profits of associates	<b>7,081</b>	12,692	(5,611)	(44.2%)
Profit before taxation	<b>527,069</b>	522,769	4,300	0.8%
* Translation gain on USD denominated borrowings included in unallocated corporate income/(expenses)	36,011	91,854	(55,843)	

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

**3) Current Year Prospects**

All business segments are expected to continue to perform well for the last quarter of the current financial year. Therefore, barring any unforeseen circumstances, the Group's result for the current financial year is expected to be good.

**4) Variance of Actual Profit from Forecast Profit**

Not applicable.

**5) Taxation**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER RM'000	PRECEDING YEAR CORRESPONDING QUARTER RM'000 (Restated)	CURRENT YEAR TO DATE RM'000	PRECEDING YEAR CORRESPONDING PERIOD RM'000 (Restated)
The tax expense comprises the following:				
Current taxation				
- Current year	<b>91,286</b>	42,483	<b>257,267</b>	151,808
- Prior years	<b>3,941</b>	506	<b>5,435</b>	455
Deferred taxation				
- Current year	<b>6,481</b>	(1,689)	<b>3,958</b>	(11,229)
- Prior years	<b>(62)</b>	1,953	<b>4,714</b>	6,929
	<b>101,646</b>	43,253	<b>271,374</b>	147,963

The effective tax rates of the Group for the current year and current quarter are lower than the statutory tax rate due principally to the utilisation of previously unrecognised tax losses, capital and agricultural allowances as well as tax incentives available to the Company and certain subsidiaries and associates.

**6) Profit on Sale of Unquoted Investments and/or Properties**

There were no material disposals of unquoted investments and/or properties outside the ordinary course of business of the Group for the current quarter and financial year to-date.



**IOI GROUP**

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

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

**7) Quoted Securities  
(Other than Securities in Existing Subsidiaries)**

a) Purchases and disposals of quoted securities

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM'000	RM'000	RM'000	RM'000
Total sale proceeds	4,299	106	5,054	112
Total gain on disposal	2,000	106	2,131	43
Total purchases	1,452	-	1,466	-

b) Total investments in quoted securities (mainly classified under other long term investments) as at 31 March 2007 are as follows:

	RM'000
<b>Quoted in Malaysia</b>	
At cost	32,195
Allowance for diminution in value	(4,934)
Net book value	<u>27,261</u>
At market value	<u>49,537</u>
<b>Quoted outside Malaysia *</b>	
At cost	16,194
Allowance for diminution in value	(14,174)
Net book value	<u>2,020</u>
At market value	<u>4,621</u>

\* Held by IOI Oleochemical Industries Berhad



**IOI GROUP**

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

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

**8) Status of Corporate Proposal**

a) The status of corporate proposals announced by the Group but not completed as at 7 May 2007 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

**IOI Corporation Berhad**

i)	Proposal	Proposed special issue of 1,800,000 new ordinary shares of RM0.50 each in IOI to Bumiputera investor(s) ("Proposed Special Issue"). The Securities Commission had on 10 January 2007 granted the Company an extension of time until 17 July 2007 for implementation of the Proposed Special Issue.
	Adviser	AmInvestment Bank Berhad.
	Approval(s) pending	Ministry of International Trade and Industry on the allocation of the 1,800,000 new shares to Bumiputera investor(s).

ii)	Proposal	IOI Oleochemical Industries Berhad ("IOI Oleo") a wholly-owned subsidiary of the Company had on 31 January 2007 entered into a joint venture agreement with Greven Beteiligungs GMBH ("GB") for the purpose of the production, marketing and distribution of metallic stearates in Asia Pacific.  IOI Oleo will subscribe for 2,000,000 ordinary shares of RM1.00 each in the joint venture company ("JVCo") representing 40% interest of JVCo's proposed share capital while the remaining 60% will be held by GB.
	Adviser	None.
	Approval(s) pending	Issuance of manufacturing license by the Malaysian Industrial Development Authority to JVCo

iii)	Proposal	Proposed share split involving the subdivision of every one (1) existing ordinary share of RM0.50 each held in IOI into five (5) new ordinary shares of RM0.10 each ("Proposed Share Split") and proposed amendment to the Memorandum and Articles of Association of IOI for the implementation of the Proposed Share Split.
	Adviser	OSK Investment Bank Berhad.
	Approval(s) pending	Shareholders of IOI at an extraordinary general meeting to be convened


**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

iv)	Proposal	Proposed capital repayment of up to RM1.375 billion to the shareholders of IOI on the basis of a cash distribution of RM21.00 for each cancelled share, to be implemented via a cancellation of ordinary shares in IOI on the basis of one (1) share cancelled for every twenty (20) existing shares held at an entitlement date to be determined later (representing up to RM0.033 billion of the issued and paid-up share capital of IOI), with the remaining balance of up to RM1.342 billion to be set-off against the share premium account of IOI pursuant to Sections 64 and 60(2) of the Companies Act, 1965.
	Adviser	AmInvestment Bank Berhad.
	Approval(s) pending	a) Shareholders of IOI at an extraordinary general meeting to be convened; and b) Confirmation by the High Court of Malaya of the reduction of the Company's share capital and share premium reserves pursuant to Section 64 of the Companies Act, 1965 and the lodgement of the Court Order with the Companies Commission of Malaysia.

**IOI Properties Berhad ("IOIP")**

i)	Proposal	IOI Land Singapore Pte Ltd, a wholly-owned subsidiary of IOIP, and Ho Bee Investment Limited (collectively "Joint-Venture Parties") had on 12 March 2007 successfully tendered for a 99-year lease land parcel in Sentosa Cove, Sentosa Island, Republic of Singapore, measuring approximately 14,596 square meters for a total cash consideration of SGD459,833,133. The Joint-Venture Parties have incorporated a 50%:50% joint venture company, Seaview (Sentosa) Pte Ltd ("JVCo") as the joint-venture vehicle to acquire the said land and undertake the development of the same.
	Adviser	None.
	Approval(s) pending	Shareholders approval (if required due to the final financing structure of the joint-venture)

b) The status of utilisation of proceeds raised from the 2<sup>nd</sup> Exchangeable Bonds as at 7 May 2007 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

Purpose	Proposed Utilisation (RM million)	Actual Utilisation (RM million)	Intended Timeframe for Utilisation	Deviation	
				Amount	%
Settlement of inter-company borrowings (company level)	890	-	by August 2007	-	-
Working capital	390	4	by December 2007	-	-
<b>Total</b>	<b>1,280</b>	<b>4</b>		<b>-</b>	<b>-</b>

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

**9) Group Borrowings and Debts Securities**

Group borrowings and debt securities as at 31 March 2007 are as follows:

	RM'000
<b>a) Bank overdrafts</b>	
Unsecured	
Denominated in RM	8,954
Denominated in EGP (EGP11,244,000)	6,713
	15,667
Total Bank Overdrafts	15,667
<b>b) Short term borrowings</b>	
Secured	
Denominated in RM	174,781
Denominated in SGD (SGD28,545,000)	65,001
Denominated in USD (USD1,970,000)	6,809
	246,591
Total Short Term Borrowings	246,591
<b>c) Long term borrowings</b>	
Secured	
Denominated in SGD (SGD11,000,000)	25,049
Unsecured	
Denominated in JPY (JPY15,000,000,000)	440,966
Denominated in USD (USD848,430,000)	2,932,284
	3,398,299
Total Long Term Borrowings	3,398,299
Total Borrowings	3,660,557

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements****10) Off Balance Sheet Financial Instruments**

- a) Forward foreign exchange sale and purchase contracts that were entered into as at 7 May 2007 (being a date not earlier than 7 days from the date of issue of the quarterly report) by certain subsidiary companies were RM2.35 billion and RM166.7 million respectively. These contracts were entered into as hedges for USD deposits, committed sales and purchases denominated in foreign currencies and to limit the exposure to potential changes in foreign exchange rates with respect to subsidiary companies' foreign currencies denominated estimated receipts and payments. The maturity period of these contracts range from May 2007 to Apr 2010.

The committed sales and purchases transactions that are hedged by forward contracts are subsequently recorded in the books at the contracted foreign exchange rates. Other gains and losses arising from forward contracts are dealt with through the income statement upon maturity.

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

- b) Commodity future contracts entered into by certain subsidiary companies and outstanding as at 7 May 2007 are as follows:

<b>Description</b>	<b>Ringgit Equivalent (RM'mil)</b>	<b>Maturity Period</b>
Sale contracts	94.2	June 2007 to September 2008
Purchase contracts	154.9	June 2007 to January 2008

The above exchange traded commodity contracts were entered into with the objective of managing and hedging the Group's exposure 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. Gains or losses arising from contracts entered into as hedges of anticipated future transactions are deferred until the date of such transactions, at which time they are included in the measurement of such transactions. Gains and losses on contracts which are no longer designated as hedges are included in the income statement.




**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

c) As at 7 May 2007, the Group has the following interest rate swap contracts:

Interest Rate Swap	Notional Amount	Effective Period
Fixed rate to USD LIBOR (Settlement in Ringgit)	RM350 million, to be fully amortised over a period of four years, commencing 15 April 2004.	15 January 2004 to 15 January 2008
CMS Spread Daily Range Accrual Swap	USD 100.0 million	12 October 2005 to 12 October 2010
CMS Spread Daily Range Accrual Swap	USD 50.0 million	13 October 2005 to 13 October 2010
CMS Spread Daily Range Accrual Swap	RM100 million	11 May 2006 to 11 May 2011

Note:

USD LIBOR: USD London Interbank Offered Rate

Any differential to be paid or received on the interest rate swap contract is recognised as a component of interest expense over the period of the contract. Gains or losses on early termination of interest rate swap contract or on repayment of the borrowings are taken to the income statement.

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

d) As at 7 May 2007, the Group has the following cross currency swap contracts:

Cross Currency Swap	Notional Amount	Effective Period
Fixed rate USD liability to fixed rate EUR liability *	USD 209.6 million into EUR 161million	1 April 2005 to 28 February 2015
Fixed rate JPY liability to fixed rate USD liability #	JPY 15.0 billion into USD 128 million	23 January 2007 to 22 January 2037

\* The contracts effectively swapped part of the Group's USD 500 million 5.25% Guaranteed Notes due 2015 into fixed rate EUR liability and serve as a hedge against the Company's EUR assets.

# The contracts effectively swapped the Group's JPY15.0 billion 30-year Fixed Rate Term Loan due 2037 into USD 128 million liability.

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

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

e) As at 7 May 2007, the Company has the following currency option contracts:

<b>Currency Option</b>	<b>Contract Amount</b>	<b>Expiry Date</b>
EUR/USD Knockout Forward *	EUR1.8 million	22 August 2007
EUR/USD Knockout Forward *	EUR1.8 million	22 August 2007
EUR/USD CMS FX Forward *	EUR3.6 million	20 February 2008
EUR/USD Knockout Forward *	EUR3.5 million	20 August 2008
EUR/USD Knockout Forward *	EUR3.5 million	20 February 2009
USD/RM At Expiry Knock-In Forward @	USD50.0 million	15 May 2007

\* The above contracts were entered into as hedges for committed coupon interest payments denominated in EUR for the Company's EUR/USD Cross Currency Swap. These contracts are zero cost in nature and the Company was not required to pay any upfront premium for the contracts.

@ The above contract was entered to hedge the USD deposits into RM at a forward exchange rate.

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

f) As at 7 May 2007, the Group has the following commodity swap contract:

<b>Commodity Swap</b>	<b>Contract Amount</b>	<b>Effective Period</b>
The Group pays fixed CPO price and receives floating CPO price from counterparty	1,000 MT per month	April 2007 to March 2008

The above commodity swap contract was entered into to partially hedge the prices of our CPO requirement for our manufacturing activities. There is minimal credit risk as the contract was entered into with a reputable bank.

## **Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

#### **11) Material Litigations**

There are no new material litigation or significant changes to the status of material litigations which are pending disposal in the courts since 30 June 2006. For ease of reference, the material litigations brought forward are detailed below:

##### **a) IOI Corporation Berhad**

- i) A minority shareholder of IOI Oleochemical Industries Berhad ("IOI Oleo"), Tuan Haji Zulkifli bin Haji Hussain ("the Applicant") has on 26 July 2000 obtained an Ex-parte Order For Leave to apply for an Order of Mandamus against the Securities Commission to compel the Securities Commission to direct the Company to make a mandatory general offer on the remaining shares of IOI Oleo not owned by the Company.

Notwithstanding that the Company was not a party to the above proceedings, in order to protect the interests of the Company, the Company has applied and has been allowed to be joined as a party to the aforesaid court action on 1 November 2000. Subsequent thereto, the Company has instructed its solicitors to make the necessary application to set aside the Order For Leave and to strike out the Applicant's Notice of Motion for an Order of Mandamus. The Company had successfully completed a mandatory general offer on IOI Oleo in October 2001. The High Court had on 20 December 2004 struck out with costs the Applicant's Notice of Motion for an Order of Mandamus and the Applicant has since filed an appeal against the said decision.

On 15 March 2006, the Company had completed the privatisation of IOI Oleo by way of a members' scheme of arrangement under Section 176 of the Companies Act, 1965 and IOI Oleo is now a wholly-owned subsidiary of the Company.

The Board, based on legal advice, is of the opinion that the Company has valid grounds to succeed in this litigation.

- ii) A civil suit has been instituted by Tuan Haji Zulkifli Bin Hussain and 6 others, the shareholders/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. The Writ of Summons and the Statement of Claim, inter alia, alleged 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 plaintiffs' claim in this suit is based on similar facts that gave rise to the mandamus proceeding initiated by the first plaintiff in the High Court of Kuala Lumpur against the Securities Commission, as disclosed under item 11(a)(i), in which the Company and Tan Sri Dato' Lee Shin Cheng were subsequently allowed to be joined as parties to the said mandamus proceeding.

This case which has been fixed for case management on various dates is now fixed for case management/decision on 21 May 2007.

The Company had been advised by its solicitors that it has genuine and valid defences to advance against the plaintiffs' cause of actions and the claims made therein.

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

**b) Unipamol Malaysia Sdn Bhd (subsidiary of IOI Oleochemical Industries Berhad)**

Unipamol Malaysia Sdn Bhd ("Unipamol") has obtained summary judgement against Unitangkob (Malaysia) Berhad ("Unitangkob") on 27 July 2001 in the High Court of Sabah and Sarawak at Kota Kinabalu for, inter alia, recovery of the principal sum of approximately RM5 million together with interest and costs. Unitangkob's appeal against the summary judgement was dismissed with costs and it has filed further appeal to the Court of Appeal. Meanwhile, Unipamol has commenced winding-up proceedings against Unitangkob to recover the amount due under the summary judgement and Unitangkob has filed Notice of Motion for stay of the said winding-up proceedings. The following applications are still pending disposal in court:

- i) an application to stay the execution of the summary judgement; and
- ii) an application to amend their Defence and include a Counter-claim against Unipamol for a sum of RM208 million for special and general damages;

Unipamol has obtained favourable legal opinion on the merits of the case.

**c) Unipamol Malaysia Sdn Bhd and Pamol Plantations Sdn Bhd (subsidiaries of IOI Oleochemical Industries Berhad)**

A legal suit has been instituted by Joseph bin Paulus Lantip, Mairin @ Martin bin Idang, Jaskri Doyou, Saffar bin Jumat @ Beklin bin Jumat, Datuk Miller Munang and George Windom Munang against Unipamol Malaysia Sdn Bhd ("Unipamol"), Pamol Plantations Sdn Bhd ("PPSB"), Unilever plc and its subsidiary Pamol (Sabah) Ltd. The Writ of Summons and Statement of Claim are dated 4 December 2002 and inter-alia, alleged that the Defendants have wrongfully refused or failed to continue with the Share Sale Agreement (to which PPSB is a party but not Unipamol) and Shareholders' Agreement (to which both PPSB and Unipamol are parties). The Plaintiffs are claiming for, inter-alia, special damages of RM43.47 million, general damages of RM136.85 million or such amount as may be assessed, exemplary damages, interest and costs. Unipamol and PPSB have entered an appearance and filed a Defence to the claim as well as a Counter-claim against the Plaintiffs.

This case which was fixed for case management on 19 January 2007 has been adjourned to 11 July 2007 to enable the parties to comply with the directions given by the Court.

Unipamol and PPSB have obtained favourable legal opinion on the merits of the case.



**IOI GROUP**

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

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

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

**12) Dividend**

The Board has on 13 February 2007 declared an interim dividend of 70% or 35.0 sen per ordinary share of RM0.50 each less 27% income tax in respect of the nine months financial period ended 31 March 2007 (31 December 2005: 60% or 30.0 sen per ordinary share of RM0.50 each less 28% income tax). The dividend was paid on 27 March 2007.

The total dividend declared to date for the current financial year is 35.0 sen per RM0.50 share less 27% income tax (31 December 2005: 30.0 sen per RM0.50 share less 28% income tax).

No dividend has been proposed for this quarter.

**13) Earnings per Share**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER (Restated)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD (Restated)
	RM'000	RM'000	RM'000	RM'000
<b>a) Basic earnings per share</b>				
Net profit for the period attributable to equity holders of the parent	<b>392,173</b>	214,829	<b>1,030,443</b>	617,094
Weighted average number of ordinary shares in issue ('000)	<b>1,238,015</b>	1,146,403	<b>1,224,530</b>	1,129,117
Basic earnings per share (sen)	<b>31.68</b>	18.74	<b>84.15</b>	54.65

**IOI GROUP****IOI CORPORATION BERHAD** (9027-W)  
(Incorporation in Malaysia)**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements****13) Earnings per Share (Continued)**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER (Restated)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD (Restated)
	RM'000	RM'000	RM'000	RM'000
<b>b) Diluted earnings per share</b>				
Adjusted net profit for the period attributable to equity holders of the parent :				
Net profit for the period attributable to equity holders of the parent	392,173	214,829	1,030,443	617,094
Assumed exchange of USD310 million Zero Coupon Guaranteed Exchangeable Bonds at beginning of period:				
Net interest savings	513	5,336	4,496	19,754
Net foreign exchange differences taken up	(1,696)	(19,787)	(9,590)	(25,627)
	(1,183)	(14,451)	(5,094)	(5,873)
Assumed exchange of USD370 million Zero Coupon Guaranteed Exchangeable Bonds at inception:				
Net interest savings	10,846	-	12,424	-
Net foreign exchange differences taken up	(26,140)	-	(33,888)	-
	(15,294)	-	(21,464)	-
	<b>375,696</b>	<b>200,378</b>	<b>1,003,885</b>	<b>611,221</b>
Adjusted weighted average number of ordinary shares in issue ('000)				
Weighted average number of ordinary shares in issue	1,238,015	1,146,403	1,224,530	1,129,117
Assumed exchange of USD310 million Zero Coupon Guaranteed Exchangeable Bonds at beginning of period	7,526	77,452	21,193	93,977
Assumed exchange of USD370 million Zero Coupon Guaranteed Exchangeable Bonds at inception	55,736	-	20,952	-
Assumed exercise of Executive Share Options at beginning of period	8,979	1,219	7,778	400
	<b>1,310,256</b>	<b>1,225,074</b>	<b>1,274,453</b>	<b>1,223,494</b>
Diluted earnings per share (sen)	<b>28.67</b>	<b>16.36</b>	<b>78.77</b>	<b>49.96</b>

By Order of the Board

**Lee Ai Leng**  
**Yap Chon Yoke**  
Company SecretariesPutrajaya  
14 May 2007

**Interim Report For The Financial Period Ended 31 March 2007**

(The figures have not been audited)

**Group Plantation Statistics**

**Planted Area**

		As At 31/03/2007	As At 31/03/2006
Oil palm			
Mature	<i>(hectares)</i>	<b>138,934</b>	137,046
Total planted	<i>(hectares)</i>	<b>148,822</b>	143,995
Rubber			
Mature	<i>(hectares)</i>	<b>568</b>	568
Total planted	<i>(hectares)</i>	<b>568</b>	568

		31/03/2007 (9 months)	31/03/2006 (9 months)
<b>Average Mature Area</b>			
Oil Palm	<i>(hectares)</i>	<b>137,791</b>	136,596
Rubber	<i>(hectares)</i>	<b>568</b>	636
<b>Production</b>			
Oil Palm			
FFB production	<i>(tonnes)</i>	<b>2,899,096</b>	2,769,850
Yield per mature hectare	<i>(tonnes)</i>	<b>21.04</b>	20.28
FFB processed	<i>(tonnes)</i>	<b>2,921,833</b>	2,842,309
Crude palm oil production	<i>(tonnes)</i>	<b>623,249</b>	609,081
Palm kernel production	<i>(tonnes)</i>	<b>146,558</b>	143,881
Crude palm oil extraction rate	<i>(%)</i>	<b>21.33%</b>	21.43%
Palm kernel extraction rate	<i>(%)</i>	<b>5.02%</b>	5.06%
Rubber			
Rubber production	<i>('000kgs)</i>	<b>1,317</b>	952
Yield per mature hectare	<i>(kgs)</i>	<b>2,319</b>	1,496
<b>Average Selling Price Realised</b>			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	<b>1,649</b>	1,385
Palm kernel	<i>(RM/tonne)</i>	<b>881</b>	954