



IOI GROUP

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

**Interim Report
For The Financial Period Ended
30 June 2007**

Interim report for the financial period ended 30 June 2007

(The figures have not been audited)

Condensed Consolidated Income Statement

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER (Restated)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD (Restated)
	30/06/2007 RM'000	30/06/2006 RM'000	30/06/2007 RM'000	30/06/2006 RM'000
Revenue	2,541,774	1,649,090	8,952,727	6,109,668
Operating profit	640,496	301,475	2,058,231	1,220,265
Interest income	7,024	2,194	39,680	20,012
Finance cost	(46,971)	(31,115)	(144,154)	(129,985)
Share of profit of associates	1,957	5,274	37,323	42,581
Share of loss of jointly controlled entity	(7)	-	(7)	-
Profit before taxation	602,499	277,828	1,991,073	1,152,873
Taxation	(68,735)	(48,195)	(340,109)	(196,158)
Profit for the period	533,764	229,633	1,650,964	956,715
Attributable to:				
Equity holders of the parent	451,661	211,908	1,482,104	829,002
Minority interest	82,103	17,725	168,860	127,713
	533,764	229,633	1,650,964	956,715
Earnings per share (sen) *				
Basic	7.28	3.58	24.13	14.51
Diluted	7.04	3.39	22.84	13.38

* Comparative earnings per share have been restated to take into account the effect of the subdivision of ordinary share of RM0.50 each into RM0.10 each on 6 June 2007.

(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 30 June 2007

(The figures have not been audited)

Condensed Consolidated Balance Sheet

	AS AT END OF CURRENT QUARTER 30/06/2007 RM'000	AS AT PRECEDING FINANCIAL YEAR END (Restated) 30/06/2006 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	4,482,004	4,164,394
Prepaid lease payments	826,255	790,509
Land held for property development	821,744	628,327
Investment properties	699,469	512,976
Other long term investments	27,699	30,376
Goodwill on consolidation	510,661	415,830
Associates	280,924	247,385
Jointly controlled entity	161,479	-
Deferred tax assets	78,993	95,389
	7,889,228	6,885,186
Current assets		
Property development costs	428,934	356,207
Inventories	1,332,819	907,895
Receivables	1,375,667	932,028
Short term investments	179,924	2,032
Short term funds	1,879,345	460,633
Short term deposits	334,345	418,595
Cash and bank balances	341,581	349,110
	5,872,615	3,426,500
Non-current assets held for sale	13,190	-
	5,885,805	3,426,500
TOTAL ASSETS	13,775,033	10,311,686

(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 30 June 2007

(The figures have not been audited)

Condensed Consolidated Balance Sheet (Continued)

	AS AT END OF CURRENT QUARTER 30/06/2007 RM'000	AS AT PRECEDING FINANCIAL YEAR END (Restated) 30/06/2006 RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	625,881	605,267
Share premium	2,349,560	1,855,765
Other reserves	56,257	(19,230)
Retained profits	4,707,560	3,592,121
	<u>7,739,258</u>	<u>6,033,923</u>
Minority interests	856,954	746,984
Total equity	<u>8,596,212</u>	<u>6,780,907</u>
Non-current liabilities		
Long term borrowings	3,381,663	2,334,231
Other long term liabilities	53,722	55,823
Deferred tax liabilities	502,857	430,885
	<u>3,938,242</u>	<u>2,820,939</u>
Current liabilities		
Payables	912,201	525,412
Bank overdrafts	7,013	7,897
Short term borrowings	242,681	153,656
Provision for taxation	78,684	22,875
	<u>1,240,579</u>	<u>709,840</u>
Total liabilities	<u>5,178,821</u>	<u>3,530,779</u>
TOTAL EQUITY AND LIABILITIES	<u>13,775,033</u>	<u>10,311,686</u>
 Net assets per share attributable to equity holders of the parent (RM)	 1.24	 1.00

(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 30 June 2007

(The figures have not been audited)

Condensed Consolidated Cash Flow Statement

	12 Months Ended 30/06/2007 RM'000	12 Months Ended 30/06/2006 RM'000 (Restated)
Operating Activities		
Profit before taxation	1,991,073	1,152,873
Adjustments for:		
Depreciation and amortisation	200,375	192,709
Other non-cash items	(234,434)	(27,045)
Operating profit before working capital changes	<u>1,957,014</u>	<u>1,318,537</u>
Net changes in working capital	(392,445)	(289,083)
Cash generated from operations	<u>1,564,569</u>	<u>1,029,454</u>
Other payments	(24,887)	(1,042)
Taxes paid	(220,386)	(243,162)
Net cash inflow from operating activities	<u>1,319,296</u>	<u>785,250</u>
Investing Activities		
Equity investments	(589,809)	(372,319)
Property, plant and equipment	(146,028)	(318,766)
Investment in land held for development	(293,622)	-
Other investments	(131,994)	(72,840)
Net cash outflow from investing activities	<u>(1,161,453)</u>	<u>(763,925)</u>
Financing Activities		
Issuance of 2nd Exchangeable Bonds	1,314,980	-
Dividends paid	(481,130)	(413,919)
Dividends paid (minority shareholders)	(48,321)	(54,428)
Issuance/repurchase of shares (net)	(20,757)	(92,319)
Issuance/repurchase of shares (subsidiary)(net)	1,721	(34,873)
Bank borrowings	408,613	(164,105)
Net cash inflow/(outflow) from financing activities	<u>1,175,106</u>	<u>(759,644)</u>
Net increase/(decrease) in cash and cash equivalents	1,332,949	(738,319)
Cash and cash equivalents at beginning of period	1,220,441	1,958,141
Effect of exchange rate changes	(5,132)	619
Cash and cash equivalents at end of period	<u>2,548,258</u>	<u>1,220,441</u>

(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 30 June 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
As at 1 July 2006											
As previously reported	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
Effect of adopting FRS 2 - Share-based Payment	-	-	-	14,786	-	-	(14,786)	-	-	-	-
As restated but before opening balance adjustments	605,267	1,855,765	82,290	101,474	(101,318)	6,512	3,592,121	(108,188)	6,033,923	746,984	6,780,907
Effect of adopting FRS 140 - Investment property	-	-	(82,290)	-	-	-	82,290	-	-	-	-
Effect of adopting FRS 3 - Business combination											
- Transfer of reserve on consolidation to retained profits	-	-	-	-	-	(6,512)	6,512	-	-	-	-
- Transfer of discount on acquisition of associates to retained profits	-	-	-	-	-	-	25,613	-	25,613	2,148	27,761
As restated	605,267	1,855,765	-	101,474	(101,318)	-	3,706,536	(108,188)	6,059,536	749,132	6,808,668
Net loss not recognised in income statement	-	-	-	-	(659)	-	-	-	(659)	(1,405)	(2,064)
Net profit for the period	-	-	-	-	-	-	1,482,104	-	1,482,104	168,860	1,650,964
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)
Special issue of shares	900	43,884	-	-	-	-	-	-	44,784	-	44,784
Issue of shares arising from conversion of Exchangeable Bonds	22,295	470,740	-	(50,194)	-	-	1,803	-	444,644	-	444,644
Issue of shares arising from conversion of 2nd Exchangeable Bonds	3,192	146,839	-	(10,541)	-	-	(1,753)	-	137,737	-	137,737
Issue of shares arising from exercise of share options	1,583	45,649	-	(7,644)	-	-	-	-	39,588	-	39,588
Repurchase of shares	-	-	-	-	-	-	-	(105,129)	(105,129)	-	(105,129)
Cancellation of treasury shares	(7,356)	(213,317)	-	7,356	-	-	-	213,317	-	-	-
Recognition of share option expenses	-	-	-	25,969	-	-	-	-	25,969	679	26,648
Equity component of 2nd Exchangeable Bonds	-	-	-	92,023	-	-	-	-	92,023	-	92,023
Arising from exercise of share options in a subsidiary	-	-	-	(209)	-	-	-	-	(209)	-	(209)
Arising from acquisition of subsidiary	-	-	-	-	-	-	-	-	-	8,986	8,986
Arising from acquisition of additional interest in subsidiaries	-	-	-	-	-	-	-	-	-	(20,977)	(20,977)
Dividend paid to minority interest	-	-	-	-	-	-	-	-	-	(48,321)	(48,321)
As at 30 June 2007	625,881	2,349,560	-	158,234	(101,977)	-	4,707,560	-	7,739,258	856,954	8,596,212

(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 30 June 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			
As at 1 July 2005	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)	-	39	-	20	-	39	808	847
Net profit for the period	-	-	-	-	-	-	829,002	-	829,002	127,713	956,715
Dividend paid in respect of current financial year	-	-	-	-	-	-	(246,411)	-	(246,411)	-	(246,411)
Issue of shares arising from conversion of Exchangeable Bonds	30,966	654,001	-	(69,734)	-	-	9,844	-	625,077	-	625,077
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	-	-	-	14,786	-	-	-	-	14,786	343	15,129
Amortisation for the period	-	-	-	-	-	(751)	-	-	(751)	-	(751)
Arising from changes in equity interest in subsidiaries	-	-	-	-	-	-	-	-	-	(502,635)	(502,635)
Dividends paid to minority interest	-	-	-	-	-	-	-	-	-	(54,428)	(54,428)
As at 30 June 2006	605,267	1,855,765	82,290	101,474	(101,318)	6,512	3,592,121	(108,188)	6,033,923	746,984	6,780,907

(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 30 June 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 131	Interest in Joint Ventures
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 30 June 2007

(The figures have not been audited)

Explanatory Notes

a) Accounting Policies (Continued)

The adoption of FRS 102, 108, 110, 116, 121, 127, 128, 131, 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 financial impact to the Group arising from this change in accounting policy is as follow:

	CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM'000	RM'000
Decrease in profit for the period attributable to:		
Equity holders of the parents	25,969	14,786
Minority interest	679	343

A reduction of RM14,786,000 to retained profits as at 30 June 2006 has been made with a corresponding increase in capital reserve.

Interim Report For The Financial Period Ended 30 June 2007

(The figures have not been audited)

Explanatory Notes

a) Accounting Policies (Continued)

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 of 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 as an opening balance adjustment.

The financial impact to the Group for the financial year ended 30 June 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 RM29,203,000.

iii. FRS 5: Non-Current Assets Held for Sale and Discontinued Operations

The adoption of the revised FRS 5 has affected the presentation of non-current assets (or disposal groups) held for sale. An item is now classified as non-current assets held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Under FRS 5, the non-current assets held for sale are stated at the lower of carrying amount and fair value less costs to sell. Previously, there were no differences in the measurement of non-current assets held for sale and those for continuing use.

With the adoption of FRS 5, land held for property development and property, plant and equipment totalling RM13,190,000 have been reclassified to non-current assets held for sale in the financial year ended 30 June 2007.

Interim Report For The Financial Period Ended 30 June 2007

(The figures have not been audited)

Explanatory Notes

a) Accounting Policies (Continued)

iv. 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 financial year ended 30 June 2006 are summarised as follows:

	As previously reported RM'000	Effect of adoption of FRS 101 RM'000	As restated RM'000
Share of profits of associates	57,664	(15,083)	42,581
Taxation	(211,241)	15,083	(196,158)

v. 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:

	RM'000
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 30 June 2007

(The figures have not been audited)

Explanatory Notes

a) Accounting Policies (Continued)

vi. 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. Total gain of RM160,650,000 has been recognised in the financial year ended 30 June 2007 arising of valuation of the investment properties in June 2007.

vii. Summary of restatement of comparatives in accordance with the adoption of new/revised FRSs

The following comparative amounts have been restated in accordance with the adoption of new/revised FRSs as follows:

	As reported	Effect of adoption of new/revised FRSs			As
	previously	FRS2	FRS101	FRS117	restated
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance Sheet					
Property, plant & equipment	4,927,550	-	-	(763,156)	4,164,394
Prepaid lease payments	-	-	-	790,509	790,509
Receivables	959,381	-	-	(27,353)	932,028
Capital reserve	86,688	14,786	-	-	101,474
Retained profit	3,606,907	(14,786)	-	-	3,592,121
Income Statement					
Operating profit	1,235,394	(15,129)	-	-	1,220,265
Share of profit of associates	57,664	-	(15,083)	-	42,581
Profit before taxation	1,183,085	(15,129)	(15,083)	-	1,152,873
Taxation	211,241	-	(15,083)	-	196,158
Profit for the year	971,844	(15,129)	-	-	956,715
Profit for the year attributable to equity holders of the Company	843,788	(14,786)	-	-	829,002
Profit for the year attributable to minority interest	128,056	(343)	-	-	127,713

Interim Report For The Financial Period Ended 30 June 2007

(The figures have not been audited)

Explanatory Notes

b) Audit Qualification

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

c) Seasonal or Cyclical Factors

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. On 6 June 2007, the Company has subdivided its existing 1,243,764,378 ordinary share of RM0.50 into 6,218,821,890 ordinary share of RM0.10 each ("Share Split"). The Share Split was completed with the listing and quotation of the new shares on the Main Board of Bursa Malaysia Securities on 7 June 2007.

During the financial year, the Company issued:

Before Share Split

- 2,565,000 new ordinary shares of RM0.50 each for cash at RM12.50 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.
- 42,530,382 new ordinary shares of RM0.50 each at RM11.06 per share arising from the exchange of USD123,786,000 Zero Coupon Guaranteed Exchangeable Bonds due 2009.
- 2,848,111 new ordinary shares of RM0.50 each at RM23.50 per share arising from the exchange of USD18,907,000 Zero Coupon Guaranteed Exchangeable Bonds due 2011.

Interim Report For The Financial Period Ended 30 June 2007

(The figures have not been audited)

Explanatory Notes

f) Details of Changes in Debt and Equity Securities (Continued)

After Share Split

- 9,000,000 new ordinary shares of RM0.10 each for cash at RM4.976 per share pursuant to a special issue to Bumiputera Investor.
- 3,010,400 new ordinary shares of RM0.10 each for cash at RM2.50 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.
- 10,294,544 new ordinary shares of RM0.10 each at RM2.20 per share arising from the exchange of USD5,960,000 Zero Coupon Guaranteed Exchangeable Bonds due 2009.
- 17,681,156 new ordinary shares of RM0.10 each at RM4.70 per share arising from the exchange of USD23,475,000 Zero Coupon Guaranteed Exchangeable Bonds due 2011.

- ii) During the current financial year and before Share Split, 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 were 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 RM213.3 million or at an average price of RM14.50 per share of RM0.50 each.

- iii) 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 30 June 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	316,351	-
Second interim dividend in respect of financial year ended 30 June 2006 - 13.5 sen per ordinary share tax exempt	164,779	-
Interim dividend in respect of financial year ended 30 June 2006 - 30.0 sen per ordinary share less 28% 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
	481,130	413,919

Interim Report For The Financial Period Ended 30 June 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
12 Months Ended 30/06/07							
REVENUE							
External Sales	394,276	706,858	67,090	7,688,727	95,776	-	8,952,727
Inter-segment sales	1,111,467	-	-	-	-	(1,111,467)	-
Total Revenue	<u>1,505,743</u>	<u>706,858</u>	<u>67,090</u>	<u>7,688,727</u>	<u>95,776</u>	<u>(1,111,467)</u>	<u>8,952,727</u>
RESULT							
Segment results	926,859	397,171	201,182	405,427	54,679	-	1,985,318
Translation gain on USD denominated borrowings							112,423
Other unallocated corporate expenses							<u>(39,510)</u>
Operating profit							2,058,231
Finance cost							(144,154)
Interest income							39,680
Share of results of associates	10,600	-	-	26,723	-	-	37,323
Share of results of jointly controlled entity	-	(7)	-	-	-	-	<u>(7)</u>
Profit before taxation							1,991,073
Taxation							<u>(340,109)</u>
Profit for the period							<u>1,650,964</u>
12 Months Ended 30/06/06							
REVENUE							
External sales	373,911	623,778	60,291	4,967,012	84,676	-	6,109,668
Inter-segment sales	865,039	-	-	-	-	(865,039)	-
Total Revenue	<u>1,238,950</u>	<u>623,778</u>	<u>60,291</u>	<u>4,967,012</u>	<u>84,676</u>	<u>(865,039)</u>	<u>6,109,668</u>
RESULT							
Segment results	636,288	331,350	36,959	128,276	19,811	-	1,152,684
Translation gain on USD denominated borrowings							92,271
Other unallocated corporate expenses							<u>(24,690)</u>
Operating profit							1,220,265
Finance cost							(129,985)
Interest income							20,012
Share of results of associates	3,434	-	-	38,916	231	-	<u>42,581</u>
Profit before taxation							1,152,873
Taxation							<u>(196,158)</u>
Profit for the period							<u>956,715</u>

Interim Report For The Financial Period Ended 30 June 2007

(The figures have not been audited)

Explanatory Notes

i) Valuations of Property, Plant & Equipment

The investment properties have been revalued in June 2007 and a gain of RM160.7 million have been included in the profit before taxation.

j) Material Events Subsequent to the End of Financial Period

There were no material events subsequent to 30 June 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 30 June 2007 except for the following:

	EFFECTIVE EQUITY INTEREST AS AT	
	30/06/2007	30/06/2006
Palmco Hotels Sdn Bhd	-	100.0%
IOI Pelita Plantations Sdn Bhd <i>(formerly known as Rinwood Pelita Plantations Sdn Bhd)</i>	70%	-
IOI Pelita Quarry Sdn Bhd <i>(formerly known as Rinwood Pelita Quarry Sdn Bhd)</i>	70%	-
IOI Capital (L) Berhad	100%	-
IOI Resources (L) Berhad	100%	-
Pan Century Edible Oils Sdn Bhd	100%	-
Pan Century Oleochemicals Sdn Bhd	100%	-
Wealthy Growth Sdn Bhd	64%	-
Multi Wealth (Singapore) Pte Ltd.	71%	-
Peter Greven Asia Sdn Bhd	40%	-
Seaview (Sentosa) Pte Ltd	36%	-

l) Contingent Liabilities

There were no significant changes in contingent liabilities since the last annual balance sheet date, other than the Corporate Guarantee of SGD175.5 million as part security for the credit facilities granted to a jointly controlled entity.



IOI GROUP

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

Interim Report For The Financial Period Ended 30 June 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 financial year ended 30 June 2007 is 47% higher than 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 current financial year is RM1,991.1 million, an increase of 73% as compared to the RM1,152.9 million reported for last year. All three major business segments achieved record operating profits.

Plantation earnings for the current year is 46% higher than same period last year with CPO price averaging 27% higher at RM1,759 per MT compared to RM1,386 per MT whilst FFB production was about previous year's level at 3,694,535 MT.

The resource-based manufacturing segment, achieved a multi-fold increase in operating profit to RM405.4 million compared to RM128.3 million previously with good performances from all 3 sub-segments.

The property business also achieved record profit level as well, with an increase of 62% in overall segment results at RM598.4 million as compared to RM368.3 million for previous year. Apart from a 20% increase in the property development operating profit from RM331.3 million to RM397.2 million, the property investment sub-segment profit increased from RM37.0 million to RM201.2 million after inclusion of a gain of RM160.7 million as a result of restating the investment properties at fair value as required by the Financial Reporting Standard, FRS140.

Overall, the Group achieved a record net earnings of RM1,482.1 million for FY2007, a 79% increase over the RM829.0 million recorded for FY2006.

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 30 June 2007 and the date of this announcement.


Interim Report For The Financial Period Ended 30 June 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 Q4 increased by 14% over the Q3 with better results from plantation and property segments. Pre-tax profit for Q4 was RM602.5 million as compared to RM527.1 million for Q3 which was RM75.4 million higher even though Q3 had the benefit of a translation gain of RM36.0 million. Strong performances were reported from the property and plantation segments. Property segment's pre-tax contribution increased by 131% from RM126.5 million to RM292.7 million and plantation segment's contribution increased by 8% from RM238.1 million to RM258.1 million. The profit for the property segment included a gain of RM160.7 million, arising from a fair value adjustment to its investment properties in June 2007 in accordance with the adoption of FRS140. The 8% increase in operating profit for plantation segment in respect of Q4 is proportionately lower than the 16% Q4 CPO price increase over Q3 CPO price because of the newly imposed cooking oil cess as well as higher fertiliser inputs in Q4. Resource-based manufacturing showed lower contribution for the Q4 because of volatile raw material prices.

The analysis of contribution by segment is as follows:

	CURRENT QUARTER RM'000	PRECEDING QUARTER RM'000	INCREASE/ (DECREASE) RM'000	
Plantation	258,113	238,142	19,971	8.4%
Property development	121,797	116,451	5,346	
Property investment	170,947	10,029	160,918	
Total Property	292,744	126,480	166,264	131.5%
Resource-based manufacturing	93,651	129,552	(35,901)	(27.7%)
Other operations	18,982	7,164	11,818	
	<u>663,490</u>	501,338	162,152	32.3%
Unallocated corporate income *	<u>(22,994)</u>	42,025	(65,019)	
Operating profit	640,496	543,363	97,133	17.9%
Interest expense	(46,971)	(43,857)	(3,114)	7.1%
Interest income	7,024	20,482	(13,458)	(65.7%)
Share of results of associates	1,957	7,081	(5,124)	(72.4%)
Share of results of jointly controlled entity	(7)	-	(7)	-
Profit before taxation	<u>602,499</u>	<u>527,069</u>	<u>75,430</u>	14.3%

* Translation gain on USD denominated borrowings included in unallocated corporate (expenses)/income

(10,531)	36,011	(46,542)
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Interim Report For The Financial Period Ended 30 June 2007

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements
3) Current Year Prospects

Barring unforeseen circumstances, all business segments are expected to improve in performance for the financial year ending 30 June 2008. Therefore, 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 (Q4)		CUMULATIVE QUARTER (12 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	60,527	64,057	317,794	215,865
- Prior years	2,184	(1,140)	7,619	(685)
Deferred taxation				
- Current year	5,509	(10,903)	9,467	(22,132)
- Prior years	515	(3,819)	5,229	3,110
	68,735	48,195	340,109	196,158

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, non taxable income 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

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Interim Report For The Financial Period Ended 30 June 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 (Q4)		CUMULATIVE QUARTER (12 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	3,983	1,035	9,037	1,147
Total gain on disposal	1,271	467	3,402	510
Total purchases	2,612	-	4,078	-

b) Total investments in quoted securities (mainly classified under other long term investments) as at 30 June 2007 are as follows:

	RM'000
Quoted in Malaysia	
At cost	32,095
Allowance for diminution in value	(5,905)
Net book value	26,190
At market value	59,165
Quoted outside Malaysia *	
At cost	16,194
Allowance for diminution in value	(9,017)
Net book value	7,177
At market value	7,177

* Held by IOI Oleochemical Industries Berhad

**Interim Report For The Financial Period Ended 30 June 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 14 August 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 joint-venture for oil palm cultivation in Kalimantan, Indonesia with Harita Group and affiliates, which will involve IOI acquiring :- (i) 33% stake in PT Bumitama Gunajaya Agro which has a total planted hectarage of 35,340 ha and unplanted land of approximately 64,000 ha; and (ii) 67% stake in several companies which will have total land available for planting of approximately 128,000 ha. Heads of Agreement was signed on 15 August 2007, and execution of the definitive agreements is expected on or before 15 September 2007.
	Adviser	None
	Approval(s) pending	(i) Bank Negara Malaysia; and (ii) Approval of any other relevant authorities, if required.
ii.	Proposal	Proposed capital repayment of up to RM1.375 billion to the shareholders of IOI on the basis of a cash distribution of RM4.20 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 on the entitlement date of 15 August 2007 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	None.

**Interim Report For The Financial Period Ended 30 June 2007**

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**8) Status of Corporate Proposal (Continued)****IOI Properties Berhad ("IOIP")**

i.	Proposal	IOI Land Singapore Pte Ltd, a wholly-owned subsidiary of IOI Properties Berhad ("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	Ratification of shareholders of IOIP will be sought at an extraordinary general meeting to be convened.

b) The status of utilisation of proceeds raised from the 2nd Exchangeable Bonds as at 14 August 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	890	by August 2007	-	-
Working capital	390	390	by December 2007	-	-
Total	1,280	1,280		-	-

Interim Report For The Financial Period Ended 30 June 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 30 June 2007 are as follows:

RM'000

a) Bank overdrafts

Unsecured

Denominated in RM 732
Denominated in EGP (EGP10,527,000) 6,281

Total Bank Overdrafts 7,013

b) Short term borrowings

Secured

Denominated in RM 180,497
Denominated in SGD (SGD24,600,000) 55,466
Denominated in USD (USD1,945,000) 6,718

Total Short Term Borrowings 242,681

c) Long term borrowings

Secured

Denominated in SGD (SGD75,000,000) 169,102
Denominated in USD (USD971,000) 3,356

172,458

Unsecured

Denominated in JPY (JPY15,000,000,000) 440,775
Denominated in USD (USD801,399,000) 2,768,430

3,209,205

Total Long Term Borrowings 3,381,663

Total Borrowings 3,631,357

**Interim Report For The Financial Period Ended 30 June 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 14 August 2007 (being a date not earlier than 7 days from the date of issue of the quarterly report) by certain subsidiary companies were RM4.0 billion and RM57.7 million respectively. These contracts were entered into as hedges for 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 August 2007 to August 2009.

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

- b) Structured foreign exchange contracts entered into by certain subsidiary companies and outstanding as at 14 August 2007 are as follows:

Description	Notional Amount	Effective Period
EUR/USD Target Redemption Forward	EUR192.0 million	June 2007 to October 2009
EUR/USD Strike Lift	EUR54.0 million	May 2007 to April 2010
USD/RM Strike Lift	USD180.0 million	May 2007 to August 2009

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 subsidiary companies' foreign currencies denominated estimated receipts and payments.

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

**Interim Report For The Financial Period Ended 30 June 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 (Continued)**

- c) Commodity future contracts entered into by certain subsidiary companies and outstanding as at 14 August 2007 are as follows:

Description	Ringgit Equivalent (RM'mil)	Maturity Period
Sale contracts	194.4	September 2007 to November 2008
Purchase contracts	310.6	September 2007 to May 2008

The above exchange traded 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. 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.

- d) As at 14 August 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 150 million	12 October 2005 to 13 October 2010
CMS Spread Daily Range Accrual Swap	RM100 million	11 May 2006 to 11 May 2011
CMS Spread Daily Range Accrual Swap	EUR100 million	28 August 2007 to 28 August 2012
USD Dual Index Hybrid Swap	USD40 million	22 July 2007 to 22 July 2014

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.

**Interim Report For The Financial Period Ended 30 June 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 (Continued)**

e) As at 14 August 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
JPY liability to 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 Group'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.

f) As at 14 August 2007, the Company has the following currency option contracts:

Currency Option	Contract Amount	Expiry Date
EUR/USD Knockout Forward	EUR3.6 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

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.

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

g) As at 14 August 2007, the Group has the following commodity swap contract:

Commodity Swap	Contract Amount	Effective Period
The Group pays fixed CPO price and receives floating CPO price	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 the Group's resource-based manufacturing activities. There is minimal credit risk as the contract was entered into with a reputable bank.

Interim Report For The Financial Period Ended 30 June 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 5 November 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 30 June 2007**

(The figures have not been audited)

Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**11) Material Litigations (Continued)****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.

The next case management is fixed on 12 September 2007.

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



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(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 six months financial period ended 31 December 2006 (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.

No dividend has been proposed for this quarter (30 June 2006: second interim tax exempt dividend of 27% or 13.5 sen per ordinary share of RM0.50 each)

The total dividend declared todate for the current financial year is 70% or 35.0 sen per ordinary share of RM0.50 each less 27% income tax (30 June 2006: 87% or 43.5 sen per ordinary share of RM0.50 each which comprises of 30.0 sen less 28% income tax and 13.5 sen tax exempt).

13) Earnings per Share

Comparative earnings per share have been restated to take into account the effect of the subdivision of ordinary share of RM0.50 each into ordinary share of RM0.10 each on 6 June 2007.

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 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
a) Basic earnings per share				
Net profit for the period attributable to equity holders of the parent	451,661	211,908	1,482,104	829,002
Weighted average number of ordinary shares in issue ('000)	6,204,679	5,913,490	6,143,103	5,712,378
Basic earnings per share (sen)	7.28	3.58	24.13	14.51

**IOI GROUP****IOI CORPORATION BERHAD** (9027-W)
(Incorporation in Malaysia)**Interim Report For The Financial Period Ended 30 June 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 (Q4)		CUMULATIVE QUARTER (12 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) Diluted earnings per share				
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	451,661	211,908	1,482,104	829,002
Assumed exchange of USD310 million Zero Coupon Guaranteed Exchangeable Bonds at beginning of period:				
Net interest savings	170	4,316	4,666	24,070
Net foreign exchange differences taken up	(138)	(4,558)	(9,728)	(30,186)
	32	(242)	(5,062)	(6,116)
Assumed exchange of USD370 million Zero Coupon Guaranteed Exchangeable Bonds at inception:				
Net interest savings	10,474	-	22,832	-
Net foreign exchange differences taken up	(1,282)	-	(35,168)	-
	9,192	-	(12,336)	-
	460,885	211,666	1,464,706	822,886
Adjusted weighted average number of ordinary shares in issue ('000)				
Weighted average number of ordinary shares in issue	6,204,679	5,913,490	6,143,103	5,712,378
Assumed exchange of USD310 million Zero Coupon Guaranteed Exchangeable Bonds at beginning of period	12,634	315,571	82,737	431,413
Assumed exchange of USD370 million Zero Coupon Guaranteed Exchangeable Bonds at inception	273,313	-	146,782	-
Assumed exercise of Executive Share Options at beginning of period / at inception	54,039	15,257	39,935	5,399
	6,544,665	6,244,318	6,412,557	6,149,190
Diluted earnings per share (sen)	7.04	3.39	22.84	13.38

By Order of the Board

Lee Ai Leng
Yap Chon Yoke
Company SecretariesPutrajaya
21 August 2007

Interim Report For The Financial Period Ended 30 June 2007

(The figures have not been audited)

Group Plantation Statistics

		As At 30/06/2007	As At 30/06/2006
Planted Area			
Oil palm			
Mature	<i>(hectares)</i>	139,798	135,860
Total planted	<i>(hectares)</i>	148,871	144,055
Rubber			
Mature	<i>(hectares)</i>	568	568
Total planted	<i>(hectares)</i>	568	568

		30/06/2007 (12 months)	30/06/2006 (12 months)
Average Mature Area			
Oil Palm			
	<i>(hectares)</i>	138,282	136,455
Rubber			
	<i>(hectares)</i>	568	619
Production			
Oil Palm			
FFB production	<i>(tonnes)</i>	3,694,535	3,674,483
Yield per mature hectare	<i>(tonnes)</i>	26.72	26.93
FFB processed	<i>(tonnes)</i>	3,720,233	3,767,558
Crude palm oil production	<i>(tonnes)</i>	793,452	805,627
Palm kernel production	<i>(tonnes)</i>	185,418	188,235
Crude palm oil extraction rate	<i>(%)</i>	21.33%	21.38%
Palm kernel extraction rate	<i>(%)</i>	4.98%	5.00%
Rubber			
Rubber production	<i>('000kgs)</i>	1,723	1,234
Yield per mature hectare	<i>(kgs)</i>	3,034	1,993
Average Selling Price Realised			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	1,759	1,386
Palm kernel	<i>(RM/tonne)</i>	958	928