



IOI GROUP

IOI CORPORATION BERHAD (9027-W)

(Incorporated in Malaysia)

**Interim Report
For The Financial Period Ended
30 September 2009**

Interim Report For The Financial Period Ended 30 September 2009

(The figures have not been audited)

Condensed Consolidated Income Statement

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER (3 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2009 RM'000	30/09/2008 RM'000	30/09/2009 RM'000	30/09/2008 RM'000
Revenue	3,275,460	4,654,772	3,275,460	4,654,772
Operating profit	657,289	488,546	657,289	488,546
Interest income	11,121	20,670	11,121	20,670
Finance cost	(59,366)	(60,114)	(59,366)	(60,114)
Share of results of associates	15,450	13,464	15,450	13,464
Share of results of jointly controlled entities	622	(24)	622	(24)
Profit before taxation	625,116	462,542	625,116	462,542
Taxation	(136,851)	(140,936)	(136,851)	(140,936)
Profit for the period	488,265	321,606	488,265	321,606
Attributable to:				
Equity holders of the parent	478,382	290,500	478,382	290,500
Minority interest	9,883	31,106	9,883	31,106
	488,265	321,606	488,265	321,606
Earnings per share (sen)				
Basic	8.01	4.88	8.01	4.88
Diluted	7.37	4.85	7.37	4.85

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 30 September 2009

(The figures have not been audited)

Condensed Consolidated Balance Sheet

	AS AT END OF CURRENT QUARTER 30/09/2009 RM'000	AS AT PRECEDING FINANCIAL YEAR END 30/06/2009 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	4,626,906	4,569,636
Prepaid lease payments	869,662	872,905
Land held for property development	843,616	866,172
Investment properties	1,110,049	1,104,633
Other long term investments	23,131	23,131
Goodwill on consolidation	513,830	513,830
Associates	551,942	536,492
Jointly controlled entities	1,569,357	1,436,763
Deferred tax assets	43,628	51,057
	10,152,121	9,974,619
Current assets		
Property development costs	442,818	465,157
Inventories	1,486,575	1,647,346
Receivables	1,444,615	1,430,657
Short term investments	5,292	4,793
Short term funds	1,818,284	1,619,511
Short term deposits	545,034	455,914
Cash and bank balances	390,329	383,957
	6,132,947	6,007,335
TOTAL ASSETS	16,285,068	15,981,954

(The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to this interim financial report.)

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(The figures have not been audited)

Condensed Consolidated Balance Sheet (Continued)

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
	30/09/2009	30/06/2009
	RM'000	RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	626,907	624,680
Share premium	2,400,317	2,319,136
Other reserves	329,559	276,844
Treasury shares	(1,732,431)	(1,732,431)
Retained earnings	7,386,917	6,858,061
	9,011,269	8,346,290
Minority interests	288,801	426,156
Total equity	9,300,070	8,772,446
Non-current liabilities		
Long term borrowings	5,304,554	5,355,303
Other long term liabilities	53,953	56,014
Deferred tax liabilities	505,631	521,039
	5,864,138	5,932,356
Current liabilities		
Payables	763,138	958,353
Short term borrowings	197,977	199,091
Provision for taxation	159,745	119,708
	1,120,860	1,277,152
Total liabilities	6,984,998	7,209,508
TOTAL EQUITY AND LIABILITIES	16,285,068	15,981,954
Net assets per share attributable to equity holders of the parent (RM)	1.51	1.40

(The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 30 September 2009

(The figures have not been audited)

Condensed Consolidated Cash Flow Statement

	3 Months Ended	3 Months Ended
	30/09/2009	30/09/2008
	RM'000	RM'000
Operating Activities		
Profit before taxation	625,116	462,542
Adjustments for:		
Depreciation	56,917	55,931
Other non-cash items	(45,418)	243,059
Operating profit before working capital changes	<u>636,615</u>	<u>761,532</u>
Net changes in working capital	56,044	(14,222)
Cash generated from operations	<u>692,659</u>	<u>747,310</u>
Other payments	(2,961)	(126)
Taxes paid	<u>(108,866)</u>	<u>(199,588)</u>
Net cash inflow from operating activities	<u>580,832</u>	<u>547,596</u>
Investing Activities		
Other investments	532	10,449
Equity investments	(471)	(64,142)
Investment in land held for development	(15,109)	(20,069)
Property, plant and equipment	(97,297)	(91,091)
Payment made to jointly controlled entities	<u>(106,308)</u>	<u>(18,748)</u>
Net cash outflow from investing activities	<u>(218,653)</u>	<u>(183,601)</u>
Financing Activities		
Issuance/(Repurchase) of shares (net)	2,821	(426,307)
Dividends paid to minority shareholders	(5,778)	-
Bank borrowings	(68,186)	(868,391)
Right issue of a subsidiary	-	46,414
Issuance of shares (subsidiary)	-	175
Dividends paid	-	(590,996)
Net cash outflow from financing activities	<u>(71,143)</u>	<u>(1,839,105)</u>
Net increase/(decrease) in cash and cash equivalents	291,036	(1,475,110)
Cash and cash equivalents at beginning of period	2,459,382	2,879,653
Effect of exchange rate changes	3,229	(6,316)
Cash and cash equivalents at end of period	<u>2,753,647</u>	<u>1,398,227</u>

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to this interim financial report.)



Interim Report For The Financial Period Ended 30 September 2009
(The figures have not been audited)

Condensed Consolidated Statement Of Changes In Equity

(RM'000)	Attributable to equity holders of the Company						Minority interests	Total equity	
	Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Treasury shares	Retained earnings			Total
As at 1 July 2009	624,680	2,319,136	326,323	(49,479)	(1,732,431)	6,858,061	8,346,290	426,156	8,772,446
Net income not recognised in income statement	-	-	-	50,769	-	-	50,769	553	51,322
Net profit for the period	-	-	-	-	-	478,382	478,382	9,883	488,265
Issue of shares arising from exercise of share options	113	3,384	(676)	-	-	-	2,821	-	2,821
Recognition of share option expenses	-	-	2,622	-	-	-	2,622	-	2,622
Arising from acquisition of interest in subsidiaries	2,114	77,797	-	-	-	50,474	130,385	(142,013)	(11,628)
Dividend paid to minority interest	-	-	-	-	-	-	-	(5,778)	(5,778)
As at 30 September 2009	626,907	2,400,317	328,269	1,290	(1,732,431)	7,386,917	9,011,269	288,801	9,300,070

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to this interim financial report.)



Interim Report For The Financial Period Ended 30 September 2009

(The figures have not been audited)

Condensed Consolidated Statement Of Changes In Equity (Continued)

(RM'000)	Attributable to equity holders of the Company						Total	Minority interests	Total equity
	Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Treasury shares	Retained earnings			
As at 1 July 2008	613,788	1,923,327	331,081	(217)	(1,079,914)	6,603,296	8,391,361	965,117	9,356,478
Net loss not recognised in income statement	-	-	-	(30,537)	-	-	(30,537)	1,279	(29,258)
Net profit for the period	-	-	-	-	-	290,500	290,500	31,106	321,606
Dividend paid in respect of previous financial year	-	-	-	-	-	(590,996)	(590,996)	-	(590,996)
Issue of shares arising from exercise of share options	491	19,722	(3,590)	-	-	-	16,623	-	16,623
Repurchase of shares	-	-	-	-	(442,966)	-	(442,966)	-	(442,966)
Recognition of share option expenses	-	-	4,139	-	-	-	4,139	45	4,184
Arising from acquisition of additional interest in subsidiaries	-	-	-	-	-	-	-	82,507	82,507
As at 30 September 2008	614,279	1,943,049	331,630	(30,754)	(1,522,880)	6,302,800	7,638,124	1,080,054	8,718,178

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 30 September 2009

(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 2009.

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 2009.

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 2009 except for the adoption of FRS 8 - Operating Segments which became effective for financial periods beginning on and after 1 July 2009.

The adoption of FRS 8 does not have any significant financial impact on the Group.

b) Seasonal or Cyclical Factors

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

c) Unusual Items

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

d) Material Changes in Estimates of Amounts Reported

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

Interim Report For The Financial Period Ended 30 September 2009

(The figures have not been audited)

Explanatory Notes

e) Details of Changes in Debt and Equity Securities

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

- 1,128,700 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.
- 21,140,410 new ordinary shares of RM0.10 each for cash at RM3.78 per ordinary share arising from the voluntary take over offer for IOI Properties Berhad's shares.

f) Dividends Paid

	CURRENT YEAR TO DATE RM'000	PRECEDING YEAR CORRESPONDING PERIOD RM'000
Second interim single tier dividend in respect of financial year ended 30 June 2008		
- 10.0 sen per ordinary share of RM0.10 each	-	590,996
	-	590,996

Interim Report For The Financial Period Ended 30 September 2009
(The figures have not been audited)

Explanatory Notes

g) Segment Revenue & Results

(RM'000)	Plantation	Property Development	Property Investment	Resource-based Manufacturing	Other Operations	Eliminations	Consolidated
3 Months Ended 30/09/09							
REVENUE							
External Sales	105,887	283,295	23,029	2,833,670	29,579	-	3,275,460
Inter-segment sales	363,771	-	-	-	-	(363,771)	-
Total Revenue	469,658	283,295	23,029	2,833,670	29,579	(363,771)	3,275,460
RESULT							
Segment results	249,782	147,574	14,474	158,901	10,641	-	581,372
Translation gain on USD denominated borrowings							74,341
Other unallocated corporate net income							1,576
Operating profit							657,289
Finance cost							(59,366)
Interest income							11,121
Share of results of associates	9,103	-	-	6,347	-	-	15,450
Share of results of jointly controlled entity	-	622	-	-	-	-	622
Profit before taxation							625,116
Taxation							(136,851)
Profit for the period							488,265
3 Months Ended 30/09/08							
REVENUE							
External Sales	43,373	148,600	18,987	4,423,084	20,728	-	4,654,772
Inter-segment sales	781,944	-	-	-	-	(781,944)	-
Total Revenue	825,317	148,600	18,987	4,423,084	20,728	(781,944)	4,654,772
RESULT							
Segment results	567,109	56,585	11,629	144,749	13,365	-	793,437
Translation loss on USD denominated borrowings							(212,242)
Other unallocated corporate net expenses							(92,649)
Operating profit							488,546
Finance cost							(60,114)
Interest income							20,670
Share of results of associates	4,710	-	-	8,754	-	-	13,464
Share of results of jointly controlled entity	-	(24)	-	-	-	-	(24)
Profit before taxation							462,542
Taxation							(140,936)
Profit for the period							321,606

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

Interim Report For The Financial Period Ended 30 September 2009

(The figures have not been audited)

Explanatory Notes

h) Material Events Subsequent to the End of Financial Period

There are no material events subsequent to 30 September 2009 that has not been reflected in the financial statements

i) Changes in the Composition of the Group

There were no material changes in the composition of the Group during the financial period ended 30 September 2009.

j) Contingent Liabilities

There are no significant changes in contingent liabilities since the last annual balance sheet date.

Interim Report For The Financial Period Ended 30 September 2009

(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

The Group reported a pre-tax profit of RM625.1 million for Q1 FY2010, which is 35% higher than RM462.5 million reported for Q1 FY2009. The higher profit is due mainly to higher profit contributions from the property and manufacturing segments and unrealised translation gain on USD denominated borrowings.

The plantation segment reported a 56% decrease in operating profit to RM249.8 million for Q1 FY2010 as compared to RM567.1 million for Q1 FY2009. The lower profit is due mainly to lower CPO prices realised as well as lower FFB production. Average CPO prices realised for Q1 FY2010 is RM2,294/MT compared to RM3,391/MT for Q1 FY2009.

The resource-based manufacturing segment reported higher profits despite lower sales achieved as the results for Q1 FY2009 included realised foreign exchange losses.

The property development and investment segments operating profit of RM162.0 million for Q1 FY2010 is approximately 2.4 times the profit reported for Q1 FY2009. The significantly higher profit is contributed mainly by increased sales of higher end residential properties and commercial properties in the Klang Valley.

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 September 2009 and the date of this announcement.

Interim Report For The Financial Period Ended 30 September 2009

(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 of RM625.1 million for Q1 FY2010 is higher than that of Q4 FY2009 which included an impairment loss of RM242.8 million in a jointly controlled entity.

Plantation operating profit of RM249.8 million for Q1 FY2010 is marginally lower than the preceding quarter due to lower CPO prices realised offset by higher FFB production.

Operating profit from the property segment for Q1 FY2010 is lower than the preceding quarter by 39% as the preceding quarter's profit is inclusive of annual fair value gains on investment properties of RM110.8 million. Excluding the fair value gains, the property segment's profit is 4% higher than the previous quarter.

The resource-based manufacturing segment reported a profit of RM158.9 million in Q1 FY2010, 15% lower than Q4 FY2009 due mainly to lower margins from refineries.

The analysis of contribution by segment is as follows:

	CURRENT QUARTER RM'000	PRECEDING QUARTER RM'000	DIFFERENCE RM'000	
Plantation	249,782	259,260	<i>(9,478)</i>	<i>(4%)</i>
Property development	147,574	144,724	<i>2,850</i>	
Property investment	14,474	121,847	<i>(107,373)</i>	
Total Property	162,048	266,571	<i>(104,523)</i>	<i>(39%)</i>
Resource-based manufacturing	158,901	187,751	<i>(28,850)</i>	<i>(15%)</i>
Other operations	10,641	22,693	<i>(12,052)</i>	<i>(53%)</i>
	581,372	736,275	<i>(154,903)</i>	<i>(21%)</i>
Translation gain on USD denominated borrowings (bonds)	74,341	166,620	<i>(92,279)</i>	<i>(55%)</i>
Other unallocated corporate net income/(expenses)	1,576	(6,157)	<i>7,733</i>	<i>(126%)</i>
Operating profit	657,289	896,738	<i>(239,449)</i>	<i>(27%)</i>
Interest expense	(59,366)	(56,637)	<i>(2,729)</i>	<i>5%</i>
Interest income	11,121	11,134	<i>(13)</i>	<i>(0%)</i>
Share of results of associates	15,450	3,515	<i>11,935</i>	<i>340%</i>
Share of results of jointly controlled property entities	622	(241,999)	<i>242,621</i>	<i>(100%)</i>
Profit before taxation	625,116	612,751	<i>12,365</i>	<i>2%</i>

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(The figures have not been audited)

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

3) Current Year Prospects

The global economic slowdown is showing signs of improvement but will continue to make the current financial year a challenging period for businesses. Nevertheless, the Group is optimistic that it will perform better in the current financial year.

4) Achievability of forecast results

Not applicable

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

Not applicable.

6) Taxation

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER (3 Mths)	
	CURRENT YEAR QUARTER RM'000	PRECEDING YEAR CORRESPONDING QUARTER RM'000	CURRENT YEAR TO DATE RM'000	PRECEDING YEAR CORRESPONDING PERIOD RM'000
The tax expense comprises the following:				
Current taxation				
- Current year	145,841	152,866	145,841	152,866
Deferred taxation				
- Current year	(9,200)	(11,930)	(9,200)	(11,930)
- Prior years	210	-	210	-
	136,851	140,936	136,851	140,936

The effective tax rate of the Group for the current quarter is lower than the statutory tax rate due principally to non taxable income and utilisation of previously unrecognised tax losses.

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(The figures have not been audited)

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

7) 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.

8) Quoted Securities

a) There were no purchases and disposals of quoted securities during the financial period ended 30 September 2009.

b) Total investments in quoted securities (mainly classified under other long term investments) as at 30 September 2009 are as follows:

	RM'000
Quoted in Malaysia	
At cost	28,101
Allowance for diminution in value	(6,483)
Net book value	<u>21,618</u>
At market value	<u>48,033</u>
Quoted outside Malaysia	
At cost	16,211
Allowance for diminution in value	(10,933)
Net book value	<u>5,278</u>
At market value	<u>3,845</u>

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(The figures have not been audited)

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

9) Status of Corporate Proposal

- a) The status of corporate proposals announced by the Group but not completed as at 17 November 2009 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

IOI Corporation Berhad ("IOI")

Proposal	On 23 July 2009, AmInvestment Bank Berhad ("AmInvestment Bank") on behalf of the Board of Directors of IOI, announced that the Company proposed to undertake a renounceable rights issue of up to 420,989,299 new ordinary shares of RM0.10 each in the Company ("Rights Share(s)"), at an issue price of RM2.90 per Rights Share on the basis of one (1) Rights Share for every fifteen (15) existing ordinary shares of RM0.10 each held in IOI at an entitlement date to be determined later. ("Proposed Rights Issue").
Adviser	AmInvestment Bank.
Approval(s) pending	All approvals for the Proposed Rights Issue has been obtained.

- b) The status of utilisation of proceeds raised from the 3rd Exchangeable Bonds as at 17 November 2009 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

Purpose	Proposed Utilisation (USD million)	Actual Utilisation (USD million)	Intended Timeframe for Utilisation	Deviation	
				Amount	%
Capital expenditure, investments/acquisitions and working capital	600	441	by January 2011	-	-
Total	600	441		-	-

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(The figures have not been audited)

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

10) Group Borrowings and Debts Securities

Group borrowings and debt securities as at 30 September 2009 are as follows:

	RM'000
a) Short term borrowings	
Unsecured	
Denominated in SGD (SGD80,600,000)	<u>197,977</u>
b) Long term borrowings	
Unsecured	
Denominated in RM	152
Denominated in SGD (SGD181,000,000)	444,590
Denominated in JPY (JPY21,000,000,000)	632,700
Denominated in USD (USD1,221,179,000)	<u>4,227,112</u>
Total Long Term Borrowings	<u>5,304,554</u>

11) Off Balance Sheet Financial Instruments

- a) Forward foreign exchange sale and purchase contracts that were entered into as at 17 November 2009 (being a date not earlier than 7 days from the date of issue of the quarterly report) by certain subsidiary companies amounted to RM2.41 billion and RM141.9 million respectively. These 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. The maturity period of these contracts range from November 2009 to May 2011.

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

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(The figures have not been audited)

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

11) Off Balance Sheet Financial Instruments (Continued)

- b) Commodity future contracts entered into by certain subsidiary companies and outstanding as at 17 November 2009 are as follows:

Description	Ringgit Equivalent (RM'mil)	Maturity Period
Sale contracts	122.0	December 2009 to March 2010
Purchase contracts	151.4	December 2009 to November 2010

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.

- c) As at 17 November 2009, 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 ¹	USD104.1 million into EUR80 million	1 April 2005 to 28 February 2015
JPY liability to USD liability ²	JPY15.0 billion into USD128 million	23 January 2007 to 22 January 2037
JPY liability to USD liability ³	JPY6.0 billion into USD55 million	5 February 2008 to 5 February 2038
Fixed rate USD liability to fixed rate RM liability ⁴	USD100.0 million into RM352 million	3 February 2009 to 2 March 2012

¹ The contracts effectively swapped part of the Group's USD500 million 5.25% Guaranteed Notes due 2015 into fixed rate EUR liability and serve as a hedge against the Group's Euro denominated assets.

² The contracts effectively swapped the Group's JPY15.0 billion 30-year Fixed Rate Term Loan due 2037 into USD128 million liability.

³ The contracts effectively swapped the Group's JPY6.0 billion 30-year Fixed Rate Term Loan due 2038 into USD55 million liability.

⁴ The contracts effectively swapped the Group's USD100 million 3-year Fixed Rate Term Loan into RM352 million liability.

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

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(The figures have not been audited)

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

12) 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 2009. For ease of reference, the material litigations brought forward are detailed below:

a) IOI Corporation Berhad

- i) A former 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 at the Court of Appeal. The Applicant's appeal is now fixed for hearing for the week commencing 19 April 2010.

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 became a wholly-owned subsidiary of the Company since then.

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 had been instituted by Tuan Haji Zulkifli Bin Hussain and 6 others, the former shareholders of IOI Oleochemical Industries Berhad ("IOI Oleo") against the Company, its Executive Chairman Tan Sri Dato' Lee Shin Cheng and its Executive Director, Dato' Lee Yeow Chor. 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 12(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 has been fixed for further case management on 29 December 2009 while the hearing has been fixed from 4th to 7th January 2010.

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 September 2009

(The figures have not been audited)

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

12) 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. 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.

Unipamol has subsequently been advised that Unitangkob has been wound up by its other creditors on 21 September 2007 and the Director General of Insolvency has been appointed as the Official Receiver of Unitangkob. Unipamol has filed a Proof of Debt against Unitangkob.

Unitangkob's appeal to the Court of Appeal against the summary judgement was struck out by the Court of Appeal on 25 May 2009. As such, this matter has reached its finality with Unitangkob owing Unipamol a sum of approximately RM5 million plus interest and costs as per the judgement dated 27 July 2001.

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

A legal suit had 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 (collectively, the "Plaintiffs") against Unipamol Malaysia Sdn Bhd ("Unipamol"), Pamol Plantations Sdn Bhd ("PPSB"), Unilever plc and its subsidiary Pamol (Sabah) Ltd (collectively the "Defendants"). 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 Court has vacated the date for full trial fixed earlier on 1st and 2nd December 2009 pending disposal of the 3rd and 4th defendants' (Unilever plc and Pamol (Sabah) Ltd) application to strike out the claim against them.

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

Interim Report For The Financial Period Ended 30 September 2009

(The figures have not been audited)

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

13) Dividend

No dividend has been proposed for this quarter (30 September 2008: nil)

14) Earnings per Share

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER (3 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	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	478,382	290,500	478,382	290,500
Weighted average number of ordinary shares in issue ('000)	5,970,116	5,953,332	5,970,116	5,953,332
Basic earnings per share (sen)	8.01	4.88	8.01	4.88

Interim Report For The Financial Period Ended 30 September 2009

(The figures have not been audited)

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

14) Earnings per Share (Continued)

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER (3 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	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	478,382	290,500	478,382	290,500
Assumed exchange of USD370 million Zero Coupon Guaranteed Exchangeable Bonds at inception:				
Net interest savings	3,360	-	3,360	-
Net foreign exchange differences taken up	(5,807)	-	(5,807)	-
	(2,447)	-	(2,447)	-
Assumed exchange of USD600 million Zero Coupon Guaranteed Exchangeable Bonds at inception:				
Net interest savings	14,768	-	14,768	-
Net foreign exchange differences taken up	(30,284)	-	(30,284)	-
	(15,516)	-	(15,516)	-
	460,419	290,500	460,419	290,500
Adjusted weighted average number of ordinary shares in issue ('000)				
Weighted average number of ordinary shares in issue	5,970,116	5,953,332	5,970,116	5,953,332
Assumed exchange of USD370 million Zero Coupon Guaranteed Exchangeable Bonds at inception	74,555	-	74,555	-
Assumed exchange of USD600 million Zero Coupon Guaranteed Exchangeable Bonds at inception	168,023	-	168,023	-
Assumed exercise of Executive Share Options at beginning of period	31,765	41,551	31,765	41,551
	6,244,459	5,994,883	6,244,459	5,994,883
Diluted earnings per share (sen)	7.37	4.85	7.37	4.85



Interim Report For The Financial Period Ended 30 September 2009
(The figures have not been audited)

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

15) Audit Qualification

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

By Order of the Board

Lee Ai Leng
Yap Chon Yoke
Company Secretaries

Putrajaya
24 November 2009

**IOI GROUP****Interim Report For The Financial Period Ended 30 September 2009**

(The figures have not been audited)

Group Plantation Statistics

		As At 30/09/2009	As At 30/09/2008
Planted Area			
Oil palm			
Mature	<i>(hectares)</i>	140,192	140,018
Total planted	<i>(hectares)</i>	152,569	148,840
Rubber			
Mature	<i>(hectares)</i>	-	274
Total planted	<i>(hectares)</i>	438	712

		30/09/2009 (3 months)	30/09/2008 (3 months)
Average Mature Area			
Oil Palm	<i>(hectares)</i>	140,453	140,154
Rubber	<i>(hectares)</i>	-	274
Production			
Oil Palm			
FFB production	<i>(tonnes)</i>	868,188	1,041,256
Yield per mature hectare	<i>(tonnes)</i>	6.18	7.43
FFB processed	<i>(tonnes)</i>	867,667	1,043,679
Crude palm oil production	<i>(tonnes)</i>	186,882	222,022
Palm kernel production	<i>(tonnes)</i>	43,026	50,391
Crude palm oil extraction rate	<i>(%)</i>	21.54%	21.27%
Palm kernel extraction rate	<i>(%)</i>	4.96%	4.83%
Rubber			
Rubber production	<i>('000kgs)</i>	-	59
Yield per mature hectare	<i>(kgs)</i>	-	215
Average Selling Price Realised			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	2,294	3,391
Palm kernel	<i>(RM/tonne)</i>	1,062	1,766