



IOI GROUP

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

**Interim Report
For The Financial Period Ended
30 September 2011**

Interim Report For The Financial Period Ended 30 September 2011

(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
	30/09/11 RM'000	30/09/10 RM'000	30/09/11 RM'000	30/09/10 RM'000
Revenue	4,147,619	3,519,260	4,147,619	3,519,260
Operating profit	425,849	658,648	425,849	658,648
Share of results of associates	29,381	17,410	29,381	17,410
Share of results of jointly controlled entities	3,017	7,912	3,017	7,912
Profit before interest and taxation	458,247	683,970	458,247	683,970
Interest income	13,233	9,575	13,233	9,575
Finance cost	(47,378)	(31,799)	(47,378)	(31,799)
Profit before taxation	424,102	661,746	424,102	661,746
Taxation	(151,302)	(149,157)	(151,302)	(149,157)
Profit for the period	272,800	512,589	272,800	512,589
Profits attributable to:				
Owners of the parent	258,096	498,128	258,096	498,128
Non-controlling interests	14,704	14,461	14,704	14,461
	272,800	512,589	272,800	512,589
Earnings per share for profit attributable to equity holders of the Company (sen)				
Basic	4.02	7.81	4.02	7.81
Diluted	3.68	6.68	3.68	6.68

(The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

Condensed Consolidated Statement of Comprehensive Income

	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER (3 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/11 RM'000	30/09/10 RM'000	30/09/11 RM'000	30/09/10 RM'000
Profit for the period	272,800	512,589	272,800	512,589
Other comprehensive income				
Exchange differences on translation of foreign operations	21,835	99,409	21,835	99,409
Other comprehensive income for the period	21,835	99,409	21,835	99,409
Total comprehensive income for the period, net of tax	294,635	611,998	294,635	611,998
Total comprehensive income attributable to:				
Owners of the parent	279,936	596,852	279,936	596,852
Non-controlling interests	14,699	15,146	14,699	15,146
	294,635	611,998	294,635	611,998

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position

	AS AT END OF CURRENT QUARTER 30/09/11 RM'000	AS AT PRECEDING FINANCIAL YEAR END 30/06/11 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	5,694,380	5,677,476
Prepaid lease payments	29,434	30,007
Land held for property development	828,260	834,513
Investment properties	1,066,726	1,062,529
Goodwill on consolidation	511,994	511,994
Associates	692,205	668,074
Jointly controlled entities	3,152,123	3,099,132
Derivative financial assets	29,659	18,619
Deferred tax assets	49,216	49,670
	<u>12,053,997</u>	<u>11,952,014</u>
Current assets		
Property development costs	202,431	235,910
Inventories	2,543,894	2,651,655
Receivables	1,652,003	1,756,215
Derivative financial assets	249,583	208,372
Other investments	58,697	65,427
Short term funds	2,211,337	1,725,237
Short term deposits	470,967	592,864
Cash and bank balances	541,247	467,425
	<u>7,930,159</u>	<u>7,703,105</u>
TOTAL ASSETS	<u>19,984,156</u>	<u>19,655,119</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position (Continued)

	AS AT END OF CURRENT QUARTER 30/09/11 RM'000	AS AT PRECEDING FINANCIAL YEAR END 30/06/11 RM'000
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	642,207	641,603
Share premium	1,964,504	1,944,320
Other reserves	6,320	(12,270)
Treasury shares	(129,043)	-
Retained earnings	9,108,085	9,425,524
	<u>11,592,073</u>	<u>11,999,177</u>
Non-controlling interest	276,854	262,221
Total equity	<u>11,868,927</u>	<u>12,261,398</u>
Non-current liabilities		
Long term borrowings	4,865,752	4,606,449
Derivative financial liabilities	58,214	19,906
Other long term liabilities	18,589	26,292
Deferred tax liabilities	438,140	453,046
	<u>5,380,695</u>	<u>5,105,693</u>
Current liabilities		
Payables	1,624,451	1,191,974
Derivative financial liabilities	298,761	189,055
Short term borrowings	688,237	791,309
Provision for taxation	123,085	115,690
	<u>2,734,534</u>	<u>2,288,028</u>
Total liabilities	<u>8,115,229</u>	<u>7,393,721</u>
TOTAL EQUITY AND LIABILITIES	<u>19,984,156</u>	<u>19,655,119</u>
Net assets per share attributable to equity holders of the Company (RM)	1.81	1.87

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

Condensed Consolidated Statement of Cash Flows

	3 Months Ended	3 Months Ended
	30/09/11	30/09/10
	RM'000	RM'000
Operating Activities		
Profit before taxation	424,102	661,746
Adjustments for:		
Depreciation	63,866	59,990
Other non-cash items	296,921	(101,233)
Operating profit before working capital changes	784,889	620,503
Net changes in working capital	258,449	(365,552)
Cash generated from operations	1,043,338	254,951
Other payments	(1,129)	-
Taxes paid	(157,135)	(112,080)
Net cash inflow from operating activities	885,074	142,871
Investing Activities		
Interest received	8,426	3,256
Proceeds from disposal of investment properties	1,158	-
Proceeds from disposal of property, plant and equipment	772	1,085
Equity investments	(3,535)	10,467
Additions to investment property	(5,367)	(335)
Investment in land held for development	(22,197)	(28,563)
Payment to jointly controlled entities	(25,858)	(93,055)
Other investments	(61,215)	28,823
Additions to property, plant and equipment	(69,112)	(82,218)
Net cash outflow from investing activities	(176,928)	(160,540)
Financing Activities		
Issuance of shares	16,445	13,569
Repurchase of 3rd Exchangeable Bonds	-	(37,120)
Interest paid	(75,878)	(59,410)
Bank borrowings	(84,071)	(1,875)
Repurchase of shares	(129,043)	-
Net cash outflow from financing activities	(272,547)	(84,836)
Net increase/(decrease) in cash and cash equivalents	435,599	(102,505)
Cash and cash equivalents at beginning of period	2,785,526	3,877,306
Effect of exchange rate changes	2,426	6,750
Cash and cash equivalents at end of period	3,223,551	3,781,551

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to this interim financial report.)



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Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

Condensed Consolidated Statement Of Changes In Equity

(RM'000)	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Treasury shares	Retained earnings	Total		
As at 1 July 2011	641,603	1,944,320	142,039	(154,309)	-	9,425,524	11,999,177	262,221	12,261,398
Total comprehensive income	-	-	-	21,840	-	258,096	279,936	14,699	294,635
Transactions with owners									
Dividend in respect of previous financial year	-	-	-	-	-	(575,571)	(575,571)	-	(575,571)
Issue of shares arising from exercise of share options	604	20,184	(4,344)	-	-	-	16,444	-	16,444
Repurchase of shares	-	-	-	-	(129,043)	-	(129,043)	-	(129,043)
Recognition of share option expenses	-	-	1,094	-	-	-	1,094	-	1,094
Arising from acquisition of additional interest in subsidiaries	-	-	-	-	-	36	36	(66)	(30)
As at 30 September 2011	642,207	1,964,504	138,789	(132,469)	(129,043)	9,108,085	11,592,073	276,854	11,868,927

(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 2011 and the accompanying explanatory notes attached to this interim financial report.)



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(The figures have not been audited)

Condensed Consolidated Statement Of Changes In Equity (Continued)

(RM'000)	Attributable to owners of the Company						Total	Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Treasury shares	Retained earnings			
As at 1 July 2010									
As previously reported	667,552	3,542,923	294,719	(372,747)	(1,767,552)	8,415,286	10,780,181	289,292	11,069,473
Effect of adopting FRS 139	-	-	(184,567)	-	-	(62,308)	(246,875)	4	(246,871)
As restated	667,552	3,542,923	110,152	(372,747)	(1,767,552)	8,352,978	10,533,306	289,296	10,822,602
Total comprehensive income	-	-	-	98,724	-	498,128	596,852	15,146	611,998
Transactions with owners									
Dividend in respect of previous financial year	-	-	-	-	-	(638,135)	(638,135)	-	(638,135)
Issue of shares arising from exercise of share options	425	16,400	(3,256)	-	-	-	13,569	-	13,569
Issue of shares arising from exchange of 2nd Exchangeable Bonds	23	1,039	-	-	-	-	1,062	-	1,062
Recognition of share option expenses	-	-	1,275	-	-	-	1,275	-	1,275
As at 30 September 2010	668,000	3,560,362	108,171	(274,023)	(1,767,552)	8,212,971	10,507,929	304,442	10,812,371

(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 2011 and the accompanying explanatory notes attached to this interim financial report.)

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

a) Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2011.

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 2011.

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 2011 except for the adoption of the following new/revised FRSs, amendments to FRSs and IC Interpretations:

Effective for annual financial period beginning on or after 1 January 2011

Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
Improvements to FRSs (2010)	
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards
Amendment to FRS 3	Business Combinations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 101	Presentation of Financial Statements
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates
Amendment to FRS 128	Investments in Associates
Amendment to FRS 131	Interests in Joint Ventures
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to IC Interpretation 13	Customer Loyalty Programmes

Effective for annual financial period beginning on or after 1 July 2011

Amendments to IC Interpretation 14	FRS 119- The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

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

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

b) Seasonal or Cyclical Factors

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

c) Unusual Items

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

d) Material Changes in Estimates of Amounts Reported

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

e) Details of Changes in Debt and Equity Securities

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

- 5,048,100 shares of RM0.10 each for cash at RM2.44 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.
- 984,900 shares of RM0.10 each for cash at RM4.19 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.

ii. During the current financial year-to-date, the Company has repurchased 26,835,200 of its issued shares capital from the open market. The average price paid for the shares repurchased was RM4.81 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.

f) Dividends Paid

No dividend was paid during the quarter under review (30 September 2010: nil).



Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

g) Segment Revenue & Results

(RM'000)

	Plantation	Property Development	Property Investment	Resource-based Manufacturing	Other Operations	Eliminations	Consolidated
3 Months Ended 30/09/11							
REVENUE							
External Sales	46,747	163,459	22,782	3,879,869	34,762	-	4,147,619
Inter-segment sales	716,418	-	-	-	-	(716,418)	-
Total Revenue	763,165	163,459	22,782	3,879,869	34,762	(716,418)	4,147,619
RESULT							
Operating profit	540,403	100,012	13,535	20,463	12,291	-	686,704
Share of results of associates	16,683	-	-	12,698	-	-	29,381
Share of results of jointly controlled entities	-	3,017	-	-	-	-	3,017
Segment results	557,086	103,029	13,535	33,161	12,291	-	719,102
3 Months Ended 30/09/10							
REVENUE							
External Sales	119,710	277,115	26,063	3,063,080	33,292	-	3,519,260
Inter-segment sales	417,762	-	-	-	-	(417,762)	-
Total Revenue	537,472	277,115	26,063	3,063,080	33,292	(417,762)	3,519,260
RESULT							
Operating profit	345,336	145,511	14,739	40,356	19,633	-	565,575
Share of results of associates	11,086	-	-	6,324	-	-	17,410
Share of results of jointly controlled entities	-	7,912	-	-	-	-	7,912
Segment results	356,422	153,423	14,739	46,680	19,633	-	590,897

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

g) Segment Revenue & Results (Continued)

The reconciliation of reportable segment profit or loss to the Group's corresponding amounts are as follows:

	3 Months Ended	3 Months Ended
	30/09/11	30/09/10
	RM'000	RM'000
Segment results	719,102	590,897
Translation (loss)/gain on foreign currency denominated borrowings	(271,738)	159,709
Unallocated fair value loss on derivative financial instruments	(13,133)	(31,223)
Unallocated fair value gain/(loss) on financial liabilities	33,087	(44,699)
Unallocated fair value gain on financial assets	1,713	5,866
Other unallocated corporate net (expenses)/income	(10,784)	3,420
Profit before interest and taxation	458,247	683,970
Finance cost	(47,378)	(31,799)
Interest income	13,233	9,575
Profit before taxation	424,102	661,746
Taxation	(151,302)	(149,157)
Profit for the period	272,800	512,589

The basis of segmentation and measurement of segment profit or loss is consistent with the basis adopted in the last audited annual financial statements, except for the inclusion of associates and jointly controlled entities results in the operating segments. There were no material changes in segment assets from the amount disclosed in the last audited annual financial statements.

h) Material Events Subsequent to the End of Financial Period

On 28 July 2011, Sri Mayvin Plantation Sdn Bhd ("Sri Mayvin"), an indirect wholly-owned subsidiary of the Company entered into a conditional sale and purchase agreement ("SPA") to acquire 11,977.91 hectares of oil palm plantation land located in the Districts of Labuk-Sugut, Sandakan, Sabah ("Plantation Land") from Pertama Land & Development Sdn Bhd ("Pertama Land"), a wholly-owned subsidiary of Duta Plantations Sdn Bhd, which in turn, is a wholly-owned subsidiary of Dutaland Berhad ("Dutaland") for a total cash consideration of RM830 million.

On 9 November 2011, both Pertama Land and Sri Mayvin have entered into a Deed of Rescission to mutually rescind the SPA with immediate effect whereupon the parties were released from all obligations and liabilities in connection with the SPA and neither party shall have further claim against the other in respect thereto. Following this, the deposit of RM83.0 million earlier paid by Sri Mayvin pursuant to the terms of the SPA has been refunded together with all interest accrued thereon to Sri Mayvin.



Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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 2011.

j) Contingent Liabilities

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

Interim Report For The Financial Period Ended 30 September 2011

(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

a) Q1 FY2012 vs. Q1 FY2011

The Group reported a pre-tax profit of RM424.1 million for Q1 FY2012, which is 36% lower than the profit of RM661.7 million reported for Q1 FY2011. The decrease is due mainly to unrealised translation loss on foreign currency denominated borrowings of RM271.7million (Q1 FY2011 - gain of RM159.7 million). Segment results of the Group however recorded an increase of 22%, with higher plantation contribution moderated by lower contributions from both resource-based manufacturing and property segments.

The plantation segment profit increased by 56% to RM557.1 million for Q1 FY2012, as compared to RM356.4 million reported for Q1 FY2011. The higher profit reported is due to higher CPO and PK prices as well as higher FFB production. Average CPO price realised for Q1 FY2012 was RM3,149/MT as compared to RM2,598/MT for Q1 FY2011, whilst FFB production for Q1 FY2012 was 973,293 MT as compared to 879,322 MT for Q1 FY2011 i.e. an increase of about 11%.

The resource-based manufacturing profit decreased from RM46.7 million in Q1 FY2011 to RM33.2 million in Q1 FY2012. The lower profit for the segment is due mainly to lower sales from oleochemicals sub segment as well as lower margins from specialty fats and refineries sub segments.

The segment results from property division of RM116.6 million for Q1 FY2012 is 31% lower than the profit reported for Q1 FY2011 of RM168.2 million due to lower development revenue during the quarter.

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

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

The Group reported a pre-tax profit of RM424.1 million for Q1 FY2012, which is 42% lower than the profit reported for Q4 FY2011 of RM731.7 million. The lower profit is due mainly to higher unrealised translation loss on foreign currency denominated borrowings by RM236.3 million as well as fair value gain on investment properties of RM93.1 million recognised in Q4 FY2011.

The increase of plantation segment results by 14% to RM557.1 million for Q1 FY2012 as compared to RM489.7 million for Q4 FY2011 is due mainly to higher FFB production of 973,293 MT (Q4 FY2011 – 919,786 MT).

Contribution from the property segment for Q1 FY2012 of RM117 million is lower than the preceding quarter by 52% due to lower development revenue achieved in the current quarter as well as inclusion of fair value gain on investment properties of RM93.1 million in the preceding quarter's results.

The resource-based manufacturing segment reported a profit of RM33.1 million in Q1 FY2012, 69% lower than Q4 FY2011, due mainly to fair value differences on outstanding derivative contracts. The segment reported a loss on changes in fair value of RM79 million in Q1 FY2012, whilst during Q4 FY2011, the segment reported RM3.7 million gain on changes in fair value.

The analysis of contribution by segment is as follows:

	CURRENT QUARTER RM'000	PRECEDING QUARTER RM'000	DIFFERENCE RM'000	
Plantation	557,086	489,706	67,380	14%
Property development	103,029	136,040	(33,011)	
Property investment	13,535	108,015	(94,480)	
Total Property	116,564	244,055	(127,491)	(52%)
Resource-based manufacturing	33,161	105,730	(72,569)	(69%)
Other operations	12,291	11,106	1,185	11%
Segment results	719,102	850,597	(131,495)	(15%)
Translation loss on foreign currency denominated borrowings	(271,738)	(35,414)	(236,324)	667%
Unallocated fair value loss on derivative financial instruments	(13,133)	(50,369)	37,236	(74%)
Unallocated fair value gain on financial liabilities	33,087	17,986	15,101	84%
Unallocated fair value gain on financial assets	1,713	2,067	(354)	(17%)
Other unallocated corporate net expenses	(10,784)	(21,590)	10,806	(50%)
Profit before interest and taxation	458,247	763,277	(305,030)	(40%)
Interest expense	(47,378)	(46,325)	(1,053)	2%
Interest income	13,233	14,726	(1,493)	(10%)
Profit before taxation	424,102	731,678	(307,576)	(42%)

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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

Global economic growth has recently shown signs of slowing down which will make the current financial year a challenging period for business corporations. Nevertheless, the Group is optimistic that it will perform satisfactorily in the current financial year underpinned by strong plantation segment.

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	163,329	152,701	163,329	152,701
- Prior years	(1,151)	(4,797)	(1,151)	(4,797)
Deferred taxation				
- Current year	(10,626)	1,348	(10,626)	1,348
- Prior years	(250)	(95)	(250)	(95)
	151,302	149,157	151,302	149,157

The effective tax rate of the Group for the current quarter is higher than the statutory tax rate due principally to the non-allowable unrealised foreign exchange losses and other non-allowable expenses incurred by the Group.

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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) Purchases and disposals of quoted securities during the financial period ended 30 September 2011 are as follows:

	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
Total sale proceeds	-	1,698	-	1,698
Total gain on disposal	-	261	-	261

b) Total investments in quoted securities as at 30 September 2011 are as follows:

	RM'000
Quoted in Malaysia	
At cost	<u>34,807</u>
At carrying value	<u>53,060</u>
At market value	<u>53,060</u>
Quoted outside Malaysia	
At cost	<u>16,206</u>
At carrying value	<u>3,725</u>
At market value	<u>3,725</u>

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

9) Corporate Proposals

There were no corporate proposals announced by the Group but not completed as at 11 November 2011 (being a date not earlier than 7 days from the date of issue of the quarterly report).

10) Group Borrowings and Debts Securities

Group borrowings and debt securities as at 30 September 2011 are as follows:

	RM'000
a) Short term borrowings	
Secured	
Denominated in RM	134
Unsecured	
Denominated in RM	48,335
Denominated in USD (USD201,000,000)	<u>639,768</u>
Total Short Term Borrowings	<u><u>688,237</u></u>
b) Long term borrowings	
Secured	
Denominated in RM	273
Unsecured	
Denominated in SGD (SGD200,000,000)	491,320
Denominated in JPY (JPY21,000,000,000)	873,264
Denominated in USD (USD1,099,010,000)	<u>3,500,895</u>
	<u><u>4,865,479</u></u>
Total Long Term Borrowings	<u><u>4,865,752</u></u>

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

11) Derivative Financial Instruments

a) The outstanding forward foreign exchange contracts as at 30 September 2011 are as follows:

	Contract/Notional Value (Million) Net long/(short)				Fair Value (RM'Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Vanilla Contracts									
USD/RM	USD	(1,036.6)	-	-	(1,036.6)	(144.6)	-	-	(144.6)
EUR/RM	EUR	(10.2)	-	-	(10.2)	(0.2)	-	-	(0.2)
USD/EUR	USD	36.4	-	-	36.4	4.7	-	-	4.7
GBP/EUR	GBP	(4.8)	-	-	(4.8)	(0.2)	-	-	(0.2)
RM/EUR	RM	(72.0)	-	-	(72.0)	(0.2)	-	-	(0.2)
SEK/EUR	SEK	(2.9)	-	-	(2.9)	-	-	-	-
USD/RMB	USD	5.1	-	-	5.1	-	-	-	-
CAD/EUR	CAD	(3.1)	-	-	(3.1)	0.2	-	-	0.2
CHF/EUR	CHF	(0.7)	-	-	(0.7)	-	-	-	-
USD/CAD	USD	(4.1)	-	-	(4.1)	(1.0)	-	-	(1.0)
JPY/RM	JPY	(541.7)	-	-	(541.7)	(1.3)	-	-	(1.3)
GBP/RM	GBP	(0.5)	-	-	(0.5)	(0.1)	-	-	(0.1)
RMB/RM	RMB	(0.1)	-	-	(0.1)	-	-	-	-
						(142.7)	-	-	(142.7)
Swap Contracts									
USD-EUR-USD	EUR	(0.5)	-	-	(0.5)	0.1	-	-	0.1
EUR-USD-EUR	USD	206.7	-	-	206.7	10.9	-	-	10.9
CAD-EUR-CAD	EUR	(1.3)	-	-	(1.3)	(0.1)	-	-	(0.1)
						10.9	-	-	10.9

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

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

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(The figures have not been audited)

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

11) Derivative Financial Instruments (Continued)

b) The outstanding commodity contracts as at 30 September 2011 are as follows:

	Contract/Notional Value (Million) Net long/(short)					Fair Value (RM' Million)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Forward Contracts	RM	89.7	-	-	89.7	(20.8)	-	-	(20.8)
	USD	(267.5)	-	-	(267.5)	137.6	-	-	137.6
Futures	RM	51.7	-	-	51.7	(6.8)	-	-	(6.8)
	RM	(131.3)	-	-	(131.3)	5.2	-	-	5.2
	USD	1.2	-	-	1.2	0.3	-	-	0.3
	USD	5.6	-	-	5.6	(1.0)	-	-	(1.0)
Swap Contracts	RM	12.6	-	-	12.6	2.4	-	-	2.4

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.

c) The outstanding cross currency swap contracts as at 30 September 2011 are as follows:

	Contract/Notional Value (Million)					Fair Value (RM' Million)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Fixed rate USD liability to fixed rate EUR liability ¹	EUR	-	-	80.0	80.0	-	-	(0.3)	(0.3)
JPY liability to USD liability ²	JPY	-	-	15,000.0	15,000.0	-	-	21.6	21.6
JPY liability to USD liability ³	JPY	-	-	6,000.0	6,000.0	-	-	8.0	8.0
Floating rate USD liability to fixed rate RM liability ⁴	USD	100.0	-	-	100.0	(34.2)	-	-	(34.2)

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 and serve as a cashflow hedge for the Group's principal repayment for the JPY loan obtained.

³ The contracts effectively swapped the Group's JPY6.0 billion 30-year Fixed Rate Term Loan due 2038 into USD55 million liability and serve as a cashflow hedge for the Group's principal repayment for the JPY loan obtained.

⁴ The contracts effectively swapped the Group's floating rate USD100 million Term Loan into fixed rate RM352 million liability and serve as a cashflow hedge for the Group's principal repayment for the USD loan obtained.

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

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

11) Derivative Financial Instruments (Continued)

d) The outstanding interest rate swap contracts as at 30 September 2011 are as follows:

	Contract/Notional Value (Million)					Fair Value (RM'Million)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Interest Rate Swap ¹	USD	-	-	600.0	600.0	-	-	(57.9)	(57.9)

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

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

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

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

12) Fair Value Changes of Financial Liabilities

Type of Financial Liability	Fair Value Gain/(Loss)		Basis of Fair Value Measurement	Reason for gain/(loss)
	Current Quarter	Current Year To Date		
	RM'000	RM'000		
Forward foreign exchange contracts	(136,515)	(136,515)	The difference between the contracted rates and the market forward rates	The exchange rates have moved unfavourably against the Group from the last measurement date
Commodity future contracts	4,635	4,635	The difference between the contracted prices rate and forward prices	The prices for the respective commodity future contracts have moved favourably for the Group from the last measurement date
Commodity forward contracts	7,870	7,870	The difference between the contracted prices rate and forward prices	The prices for the respective commodity forward contracts have moved favourably for the Group from the last measurement date
Cross currency swap contracts	34,878	34,878	Based on spot, forward and interest rate term structure for the respective currencies	The forward and interest rate term structure for the respective currencies have moved favourably for the Group from the last measurement date
Interest rate swap	(57,905)	(57,905)	The difference between fixed and floating interest rates	The floating interest rate has moved unfavourably against the Group from the last measurement date
Commodity swap	(977)	(977)	Based on prices of underlying commodity	The prices of underlying commodity have moved unfavourably against the Group from the last measurement date
2nd Exchangeable Bonds	33,049	33,049	Quoted market price	The quoted market price has decrease from the last measurement date
3rd Exchangeable Bonds	38	38	Quoted market price	The quoted market price has decreased from the last measurement date

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

13) Realised and Unrealised Profits

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

	RM'000
Total retained profits of IOI Corporation Berhad and its subsidiaries:	
- Realised	11,770,093
- Unrealised	368,567
	12,138,660
Total share of retained profits from associated companies:	
- Realised	333,892
- Unrealised	(13,023)
	320,869
Total share of accumulated losses from jointly controlled entities:	
- Realised	(168,587)
- Unrealised	(2,424)
	(171,011)
	12,288,518
Less: Consolidation adjustments	(3,180,433)
Total Group retained profits	9,108,085

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

14) 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 2011. For ease of reference, the material litigations brought forward are detailed below:

a) IOI Corporation Berhad

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 (the Company and Tan Sri Dato' Lee Shin Cheng were subsequently allowed to be joined as parties to the said mandamus proceeding) which has been struck off.

The trial for this case concluded on 6 May 2010 and the High Court had on 20 May 2011 dismissed the plaintiffs' case with costs. The plaintiffs have filed an appeal to the Court of Appeal against the decision of the High Court.

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 2011

(The figures have not been audited)

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

14) Material Litigations (Continued)

b) 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 3rd and 4th defendants have filed an appeal against the decision of the High Court delivered on 14 January 2010 dismissing their application to strike out the claim against them. On 13 October 2010, the Court of Appeal allowed the 3rd defendant’s appeal but dismissed the 4th defendant’s appeal. The Plaintiffs have since filed an application for leave to appeal to the Federal Court on the decision of the Court of Appeal in allowing the 3rd defendant’s appeal.

The High Court has on 3 December 2010 struck off the Plaintiffs’ Writ of Summons and Statement of Claim due to procedural non-compliance subject to the Plaintiffs’ right to apply for reinstatement. The Plaintiffs’ Solicitors have subsequently filed an application to reinstate the Writ of Summons and Statement of Claim. On 10 March 2011, the High Court dismissed the Plaintiffs’ application for reinstatement and the Plaintiffs have filed an appeal against the said decision to the Court of Appeal and no date has been fixed by the Court of Appeal to hear the Plaintiffs’ appeal.

Meanwhile, the Plaintiffs’ application for leave to appeal to the Federal Court has been fixed for case management on 13 December 2011 pending the outcome of the Plaintiffs’ appeal at the Court of Appeal to reinstate the Writ of Summons and Statement of Claim.

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



Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

15) Dividend

No dividend has been proposed for the quarter under review (30 September 2010: nil).

16) 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 Company	258,096	498,128	258,096	498,128
Weighted average number of ordinary shares in issue ('000)	6,416,125	6,377,526	6,416,125	6,377,526
Basic earnings per share (sen)	4.02	7.81	4.02	7.81

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(The figures have not been audited)

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

16) 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 Company :				
Net profit for the period attributable to equity holders of the Company	258,096	498,128	258,096	498,128
Assumed exchange of USD370 million Zero Coupon Guaranteed Exchangeable Bonds at inception:				
Fair value adjustment	(33,049)	-	(33,049)	-
Net foreign exchange differences taken up	13,362	-	13,362	-
	(19,687)	-	(19,687)	-
Assumed exchange of USD600 million Zero Coupon Guaranteed Exchangeable Bonds at inception:				
Fair value adjustment	-	11,265	-	11,265
Net foreign exchange differences taken up	-	(72,240)	-	(72,240)
	-	(60,975)	-	(60,975)
	238,409	437,153	238,409	437,153
Adjusted weighted average number of ordinary shares in issue ('000)				
Weighted average number of ordinary shares in issue	6,416,125	6,377,526	6,416,125	6,377,526
Assumed exchange of USD370 million Zero Coupon Guaranteed Exchangeable Bonds at inception	49,448	-	49,448	-
Assumed exchange of USD600 million Zero Coupon Guaranteed Exchangeable Bonds at inception	-	139,047	-	139,047
Assumed exercise of Executive Share Options at beginning of period	21,290	30,578	21,290	30,578
	6,486,863	6,547,151	6,486,863	6,547,151
Diluted earnings per share (sen)	3.68	6.68	3.68	6.68



IOI GROUP

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

Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

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

17) Audit Qualification

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

By Order of the Board

Lee Ai Leng
Tan Choong Khiang
Company Secretaries

Putrajaya
18 November 2011



Interim Report For The Financial Period Ended 30 September 2011

(The figures have not been audited)

Group Plantation Statistics

		As At 30/09/11	As At 30/09/10
Planted Area			
Oil palm			
Mature	<i>(hectares)</i>	139,714	138,777
Total planted	<i>(hectares)</i>	157,464	154,899
Rubber			
Total planted	<i>(hectares)</i>	496	438

		30/09/11 (3 months)	30/09/10 (3 months)
Average Mature Area			
Oil Palm	<i>(hectares)</i>	139,946	138,935
Production			
Oil Palm			
FFB production	<i>(tonnes)</i>	973,293	879,322
Yield per mature hectare	<i>(tonnes)</i>	6.95	6.33
FFB processed	<i>(tonnes)</i>	974,425	875,790
Crude palm oil production	<i>(tonnes)</i>	205,950	184,886
Palm kernel production	<i>(tonnes)</i>	48,353	44,816
Crude palm oil extraction rate	<i>(%)</i>	21.14%	21.11%
Palm kernel extraction rate	<i>(%)</i>	4.96%	5.12%
Average Selling Price Realised			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	3,149	2,598
Palm kernel	<i>(RM/tonne)</i>	2,043	1,667