



**IOI GROUP**

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

**Interim Report  
For The Financial Period Ended  
31 March 2014**

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**Condensed Consolidated Statement of Profit or Loss**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/14 RM'Million	31/03/13 RM'Million (Restated)	31/03/14 RM'Million	31/03/13 RM'Million (Restated)
<b>CONTINUING OPERATIONS</b>				
Revenue	<b>2,899.9</b>	2,874.6	<b>9,079.2</b>	9,259.2
Operating profit	<b>492.3</b>	453.8	<b>1,309.1</b>	1,587.0
Net gain arising from demerger of subsidiary	<b>1,834.7</b>	-	<b>1,834.7</b>	-
Share of results of associates	<b>32.6</b>	19.7	<b>100.0</b>	79.4
Share of results of jointly controlled entities	<b>(0.4)</b>	-	<b>(0.8)</b>	-
<b>Profit before interest and taxation</b>	<b>2,359.2</b>	473.5	<b>3,243.0</b>	1,666.4
Interest income	<b>6.3</b>	18.3	<b>43.2</b>	38.1
Finance cost	<b>(70.8)</b>	(67.0)	<b>(213.7)</b>	(207.1)
<b>Profit before taxation</b>	<b>2,294.7</b>	424.8	<b>3,072.5</b>	1,497.4
Taxation	<b>(109.6)</b>	(62.2)	<b>(325.6)</b>	(229.3)
<b>Profit from continuing operations</b>	<b>2,185.1</b>	362.6	<b>2,746.9</b>	1,268.1
<b>DISCONTINUED OPERATIONS *</b>				
Profit from discontinued operations	-	201.9	<b>240.1</b>	450.4
<b>Profit for the period</b>	<b>2,185.1</b>	564.5	<b>2,987.0</b>	1,718.5
<b>Attributable to owners of the parent</b>				
From continuing operations	<b>2,176.6</b>	371.4	<b>2,734.3</b>	1,263.4
From discontinued operations	-	196.4	<b>231.2</b>	439.6
	<b>2,176.6</b>	567.8	<b>2,965.5</b>	1,703.0
<b>Attributable to non-controlling interests</b>				
	<b>8.5</b>	(3.3)	<b>21.5</b>	15.5
	<b>2,185.1</b>	564.5	<b>2,987.0</b>	1,718.5
<b>Earnings per share for profit attributable to owners of the Company (sen)</b>				
<b>Basic earnings per share</b>				
From continuing operations	<b>34.20</b>	5.81	<b>42.86</b>	19.76
From discontinued operations	-	3.08	<b>3.62</b>	6.88
Total	<b>34.20</b>	8.89	<b>46.48</b>	26.64
<b>Diluted earnings per share</b>				
From continuing operations	<b>34.13</b>	5.80	<b>42.77</b>	19.71
From discontinued operations	-	3.07	<b>3.61</b>	6.86
Total	<b>34.13</b>	8.87	<b>46.38</b>	26.57

(The condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**Condensed Consolidated Statement of Other Comprehensive Income**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/14 RM'Million	31/03/13 RM'Million (Restated)	31/03/14 RM'Million	31/03/13 RM'Million (Restated)
<b>Profit for the period</b>	<b>2,185.1</b>	<b>564.5</b>	<b>2,987.0</b>	<b>1,718.5</b>
<b>Other comprehensive (loss)/income that will be reclassified subsequently to profit or loss when specific conditions are met</b>				
Exchange differences on translation of foreign operations	(15.1)	(40.5)	215.6	(19.2)
Share of other comprehensive income of associates	12.4	0.7	11.2	1.0
<b>Other comprehensive (loss)/income for the period</b>	<b>(2.7)</b>	<b>(39.8)</b>	<b>226.8</b>	<b>(18.2)</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>2,182.4</b>	<b>524.7</b>	<b>3,213.8</b>	<b>1,700.3</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	2,178.1	527.9	3,194.2	1,684.6
Non-controlling interests	4.3	(3.2)	19.6	15.7
	<b>2,182.4</b>	<b>524.7</b>	<b>3,213.8</b>	<b>1,700.3</b>

\*: *The financial results of the property business that was demerged in January 2014 as disclosed in Note (i) of this interim report are now presented as discontinued operations in line with the requirements of FRS 5 Non-current Assets Held for Sale and Discontinued Operations*

(The condensed consolidated statement of other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position**

	AS AT END OF CURRENT QUARTER 31/03/14 RM'Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/13 RM'Million (Restated)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	6,431.2	5,293.8
Prepaid lease payments	30.4	29.8
Investment properties	7.3	7.3
Goodwill on consolidation	459.7	429.0
Associates	881.1	797.3
Jointly controlled entities	25.0	8.8
Derivative financial assets	71.7	45.3
Deferred tax assets	60.9	64.2
	<u>7,967.3</u>	<u>6,675.5</u>
<b>Current assets</b>		
Inventories	2,290.0	1,753.8
Receivables	1,084.2	1,104.2
Derivative financial assets	84.9	59.3
Other investments	71.9	72.6
Short term funds	2,902.5	1,826.4
Short term deposits	437.5	264.1
Cash and bank balances	437.1	878.9
	<u>7,308.1</u>	<u>5,959.3</u>
Assets of disposal group held for sale/ held for distribution to owners	*	11,273.8
<b>TOTAL ASSETS</b>	<u>15,275.4</u>	<u>23,908.6</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 2013 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position (Continued)**

	AS AT END OF CURRENT QUARTER  31/03/14 RM'Million	AS AT PRECEDING FINANCIAL YEAR END  30/06/13 RM'Million (Restated)
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	644.5	643.4
Share premium	2.3	2,013.4
Other reserves	(7.5)	71.0
Treasury shares	(440.9)	(235.7)
Retained earnings	5,501.7	11,160.3
	<u>5,700.1</u>	<u>13,652.4</u>
<b>Non-controlling interests</b>	<b>207.8</b>	<b>280.0</b>
<b>Total equity</b>	<b><u>5,907.9</u></b>	<b><u>13,932.4</u></b>
<b>Non-current liabilities</b>		
Long term borrowings	5,139.6	7,104.9
Derivative financial liabilities	44.4	55.9
Other long term liabilities	43.5	44.5
Deferred tax liabilities	448.3	398.4
	<u>5,675.8</u>	<u>7,603.7</u>
<b>Current liabilities</b>		
Payables	896.5	790.2
Derivative financial liabilities	55.9	96.3
Short term borrowings	2,621.2	219.4
Provision for taxation	118.1	26.5
	<u>3,691.7</u>	<u>1,132.4</u>
Liabilities of disposal group held for sale/ held for distribution to owners	-	1,240.1
<b>Total liabilities</b>	<b><u>9,367.5</u></b>	<b><u>9,976.2</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>15,275.4</u></b>	<b><u>23,908.6</u></b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>0.90</b>	<b>2.14</b>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position (Continued)**

\*: The financial results of the property business that was demerged in January 2014 as disclosed in Note (i) of this interim report are now classified as disposal group held for sale/ held for distribution to owners. The assets and liabilities of disposal group held for sale/ held for distribution to owners are as follows:

	<b>AS AT END OF CURRENT QUARTER 31/03/14 RM'Million</b>	<b>AS AT PRECEDING FINANCIAL YEAR END 30/06/13 RM'Million</b>
<b>Assets of disposal group held for sale/ held for distribution to owners</b>		
Property, plant & equipment	-	634.8
Prepaid lease payments	-	99.4
Land held for property development	-	1,843.9
Investment properties	-	1,941.9
Goodwill on consolidation	-	85.6
Associates	-	73.6
Jointly controlled entities	-	3,677.3
Deferred tax assets	-	29.9
Property development costs	-	1,847.5
Inventories	-	122.3
Receivables	-	475.3
Other investments	-	1.1
Short term funds	-	59.9
Short term deposits	-	99.5
Cash and bank balances	-	281.8
	<u>-</u>	<u>11,273.8</u>
<b>Liabilities of disposal group held for sale/ held for distribution to owners</b>		
Long term borrowings	-	502.4
Other long term liabilities	-	138.6
Deferred tax liabilities	-	62.7
Payables	-	490.2
Provision for taxation	-	46.2
	<u>-</u>	<u>1,240.1</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 2013 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**Condensed Consolidated Statement of Cash Flows**

	<b>9 Months Ended 31/03/14 RM'Million</b>	<b>9 Months Ended 31/03/13 RM'Million (Restated)</b>
<b>Operating Activities</b>		
Profit before taxation		
From continuing operations	3,072.5	1,497.4
From discontinued operations	365.5	577.2
	<b>3,438.0</b>	<b>2,074.6</b>
Adjustments for:		
Depreciation	159.7	185.1
Other non-cash items	(1,741.8)	(465.0)
Operating profit before working capital changes	1,855.9	1,794.7
(Increase)/decrease in inventories	(391.0)	410.7
(Increase)/decrease in receivables and other assets	(235.1)	173.0
Increase/(decrease) in payables and other liabilities	342.6	(37.3)
Cash generated from operations	1,572.4	2,341.1
Other payments	(17.3)	(3.6)
Taxes paid	(311.1)	(406.5)
<b>Net cash inflow from operating activities</b>	<b>1,244.0</b>	<b>1,931.0</b>
<b>Investing Activities</b>		
Proceeds from restricted offer for sale, net of cash and cash equivalents disposed	1,203.3	-
Payment received from amount due from subsidiaries disposed	1,004.0	-
Dividends received	73.3	94.4
Interest received	18.5	18.5
Proceeds from disposal of other investments	7.1	0.6
Other receipts	1.7	4.1
Proceeds from disposal of property, plant and equipment	0.4	3.1
Proceeds from disposal of land from compulsory acquisitions	-	3.7
Acquisition of 50% equity interest in Prime Joy Investments Limited	-	(28.2)
Settlement of shareholders' advances owing by Prime Joy Investments Limited	-	(91.8)
Additions to prepaid lease payments	(4.2)	(95.4)
Acquisition of additional interest in associate	(6.3)	-
Investments in jointly controlled entities	(22.9)	(9.1)
Advances to jointly controlled entities	(23.8)	(119.2)
Additions to other investments	(62.1)	-
Additions to investment properties	(125.1)	(330.3)
Acquisitions of additional interest in subsidiaries	(205.0)	(10.2)
Additions to property, plant and equipment	(240.9)	(305.2)
Investment in land held for development	(505.5)	(1,098.7)
Acquisition of subsidiary, net of cash and cash equivalents acquired	(798.0)	-
<b>Net cash inflow/(outflow) from investing activities</b>	<b>314.5</b>	<b>(1,963.7)</b>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to this interim financial report.)

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**Condensed Consolidated Statement of Cash Flows (Continued)**

	<b>9 Months Ended 31/03/14 RM'Million</b>	<b>9 Months Ended 31/03/13 RM'Million (Restated)</b>
<b>Financing Activities</b>		
Drawdown/(repayment) of other borrowings	270.0	(136.2)
Issuance of shares	35.6	13.6
Proceeds from issuance of preference shares to non-controlling interests	1.0	-
Advances from non-controlling interests	-	7.0
Redemption of 3rd Exchangeable Bonds	-	(13.2)
Dividends paid to non-controlling interests	(4.4)	(22.4)
Repayment of term loan	(28.7)	-
Repurchase of shares	(205.2)	(71.1)
Payment of interest	(231.8)	(218.1)
Payment of dividends	(1,051.1)	(990.5)
<b>Net cash outflow from financing activities</b>	<b>(1,214.6)</b>	<b>(1,430.9)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>343.9</b>	<b>(1,463.6)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>3,410.6</b>	<b>4,360.7</b>
<b>Effect of exchange rate changes</b>	<b>22.6</b>	<b>(0.7)</b>
<b>Cash and cash equivalents at end of period</b>	<b>3,777.1</b>	<b>2,896.4</b>

\*: *Includes cash and cash equivalents of the disposal group held for sale/held for distribution to owners amounting to RM441.2 million.*

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to this interim financial report.)





IOI GROUP

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

(Incorporated in Malaysia)

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**Condensed Consolidated Statement Of Changes In Equity**

(RM'Million)	Non-distributable					Distributable		Non- controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Treasury shares	Retained earnings	Total attributable to owners of the Company		
<b>As at 1 July 2013</b>									
As previously reported	643.4	2,013.4	127.2	(56.2)	(235.7)	11,179.9	13,672.0	280.0	13,952.0
Effect of adopting FRS 119	-	-	-	-	-	(19.6)	(19.6)	-	(19.6)
As restated	643.4	2,013.4	127.2	(56.2)	(235.7)	11,160.3	13,652.4	280.0	13,932.4
<b>Total comprehensive income</b>	-	-	-	228.7	-	2,965.5	3,194.2	19.6	3,213.8
<b>Transactions with owners</b>									
Dividend paid in respect of current financial year	-	-	-	-	-	(507.9)	(507.9)	-	(507.9)
Dividend paid in respect of previous financial year	-	-	-	-	-	(543.2)	(543.2)	-	(543.2)
Issue of shares arising from exercise of share options	1.1	43.2	(8.7)	-	-	-	35.6	-	35.6
Repurchase of shares	-	-	-	-	(205.2)	-	(205.2)	-	(205.2)
Recognition of share option expenses	-	-	0.4	-	-	-	0.4	-	0.4
Distribution-in-specie	-	(2,054.3)	-	-	-	(7,563.4)	(9,617.7)	-	(9,617.7)
Derecognition arising from demerger of subsidiary	-	-	-	(298.9)	-	-	(298.9)	(195.8)	(494.7)
Changes in equity interest in subsidiaries	-	-	-	-	-	(9.6)	(9.6)	(138.8)	(148.4)
Arising from acquisition of subsidiary	-	-	-	-	-	-	-	194.2	194.2
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	53.0	53.0
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(4.4)	(4.4)
<b>As at 31 March 2014</b>	<b>644.5</b>	<b>2.3</b>	<b>118.9</b>	<b>(126.4)</b>	<b>(440.9)</b>	<b>5,501.7</b>	<b>5,700.1</b>	<b>207.8</b>	<b>5,907.9</b>

(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 2013 and the accompanying explanatory notes attached to this interim financial report.)



IOI GROUP

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

(Incorporated in Malaysia)

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

(RM'Million)	Non-distributable					Distributable		Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Treasury shares	Retained earnings	Total attributable to owners of the Company		
<b>As at 1 July 2012</b>									
As previously reported	642.7	1,985.9	132.8	(191.4)	(139.6)	10,197.5	12,627.9	288.0	12,915.9
Effect of adopting FRS 119	-	-	-	-	-	(20.9)	(20.9)	-	(20.9)
As restated	642.7	1,985.9	132.8	(191.4)	(139.6)	10,176.6	12,607.0	288.0	12,895.0
<b>Total comprehensive income</b>	-	-	-	(18.4)	-	1,703.0	1,684.6	15.7	1,700.3
<b>Transactions with owners</b>									
Dividend paid in respect of current financial year	-	-	-	-	-	(447.2)	(447.2)	-	(447.2)
Dividend paid in respect of previous financial year	-	-	-	-	-	(543.3)	(543.3)	-	(543.3)
Issue of shares arising from exercise of share options	0.4	16.6	(3.4)	-	-	-	13.6	-	13.6
Repurchase of share	-	-	-	-	(71.1)	-	(71.1)	-	(71.1)
Recognition of share option expenses	-	-	0.9	-	-	-	0.9	-	0.9
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	(22.4)	(22.4)
Changes in equity interest in subsidiaries	-	-	-	-	-	2.8	2.8	(10.4)	(7.6)
<b>As at 31 March 2013</b>	643.1	2,002.5	130.3	(209.8)	(210.7)	10,891.9	13,247.3	270.9	13,518.2

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to this interim financial report.)



**Interim Report For The Financial Period Ended 31 March 2014**

(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 2013.

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 2013.

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 2013 except for the adoption of the following new/revised FRSs and amendments to FRSs:

<b>Title</b>	<b>Effective Date</b>
FRS 10 <i>Consolidated Financial Statements</i>	1 January 2013
FRS 11 <i>Joint Arrangements</i>	1 January 2013
FRS 12 <i>Disclosure of Interests in Other Entities</i>	1 January 2013
FRS 13 <i>Fair Value Measurement</i>	1 January 2013
FRS 119 <i>Employee Benefits</i>	1 January 2013
FRS 127 <i>Separate Financial Statements</i>	1 January 2013
FRS 128 <i>Investments in Associates and Joint Ventures</i>	1 January 2013
Amendments to FRS 1 <i>Government Loans</i>	1 January 2013
Amendments to FRS 7 <i>Disclosures – Offsetting Financial Assets and Financial Liabilities</i>	1 January 2013
Improvements to FRSs (2012)	1 January 2013
Amendments to FRS 10, FRS 11 and FRS 12 <i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i>	1 January 2013
IC Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013

The adoption of the above FRS, amendments to FRSs and IC Interpretation do not have any significant financial impact on the results and the financial position of the Group for the current quarter except for the following:

i. **FRS 119 *Employee Benefits***

Prior to the adoption of the new FRS 119, the Group recognise the actuarial gains and losses as income or expense if the net cumulative unrecognised actuarial gains and losses exceeds 10% of the defined benefit obligation. With the adoption of new FRS 119, all actuarial gains and losses are to be recognised in Other Comprehensive Income.



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

a) **Accounting Policies (Continued)**

i. **FRS 119 Employee Benefits (Continued)**

**Impact of adoption of FRS 119**

In accordance with the transitional provisions for the new FRS 119, the above changes in accounting policy have been accounted for retrospectively. The effects arising from the adoption of this standard are summarised as follows:

	As previously reported RM'Million	Effect of adopting FRS 119 RM'Million	As restated RM'Million
<b>As at 1 July 2012</b>			
<b><u>Condensed Consolidated Statement of Financial Position</u></b>			
<b>Assets</b>			
Deferred tax assets	71.1	7.0	<b>78.1</b>
<b>Liabilities</b>			
Other long term liabilities	147.3	27.9	<b>175.2</b>
<b>Equity</b>			
Retained earnings	10,197.5	(20.9)	<b>10,176.6</b>
<b>As at 30 June 2013</b>			
<b><u>Condensed Consolidated Statement of Financial Position</u></b>			
<b>Assets</b>			
Deferred tax assets	57.3	6.9	<b>64.2</b>
<b>Liabilities</b>			
Other long term liabilities	18.0	26.5	<b>44.5</b>
<b>Equity</b>			
Retained earnings	11,179.9	(19.6)	<b>11,160.3</b>
<b><u>Condensed Consolidated Statement of Profit or Loss</u></b>			
<b>Operating profit</b>			
Individual quarter as at 31			
March 2013	453.8	-*	<b>453.8</b>
Cumulative quarter (9 months)			
as at 31 March 2013	1,587.0	-*	<b>1,587.0</b>
<b>Taxation</b>			
Individual quarter as at 31			
March 2013	62.2	-*	<b>62.2</b>
Cumulative quarter (9 months)			
as at 31 March 2013	229.3	-*	<b>229.3</b>
<b><u>Condensed Consolidated Statement of Other Comprehensive Income</u></b>			
<b>Actuarial gains and losses on defined benefit obligation</b>			
Individual quarter as at 31			
March 2013	-	-*	<b>-*</b>
Cumulative quarter (9 months)			
as at 31 March 2013	-	-*	<b>-*</b>

\*: *Less than RM0.1 million.*



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**a) Accounting Policies (Continued)**

As stated in our audited financial statements for the financial year ended 30 June 2013, the Group has yet to adopt the Malaysian Financial Reporting Standards (“MFRS”) framework, but has elected to be a transitioning entity which will only adopt the MFRS framework for the financial year ending 30 June 2016.

**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**

Except for the material changes in the composition of the Group as disclosed in Note (i) of this interim report, there are no other unusual items affecting assets, liabilities, equity, net income, and cash flows for the period 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:

- 235,000 shares of RM0.10 each for cash at RM2.03 per share arising from the exercise of options granted under the Company’s Executive Share Option Scheme.
- 5,384,800 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.
- 16,800 shares of RM0.10 each for cash at RM3.49 per share arising from the exercise of options granted under the Company’s Executive Share Option Scheme.
- 330,000 shares of RM0.10 each for cash at RM4.17 per share arising from the exercise of options granted under the Company’s Executive Share Option Scheme.
- 1,935,100 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.
- 2,477,500 shares of RM0.10 each for cash at RM5.00 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 47,145,600 of its issued shares capital from the open market. The average price paid for the shares repurchased was RM4.35 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.



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**f) Dividends Paid**

	<b>CURRENT YEAR TO DATE RM'Million</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD RM'Million</b>
Second interim single tier dividend in respect of financial year ended 30 June 2013 - 8.5 sen per ordinary share of RM0.10 each	<b>543.2</b>	-
First interim single tier dividend in respect of financial year ended 30 June 2014 - 8.0 sen per ordinary share of RM0.10 each	<b>507.9</b>	-
Second interim single tier dividend in respect of financial year ended 30 June 2012 - 8.5 sen per ordinary share of RM0.10 each	-	543.3
First interim single tier dividend in respect of financial year ended 30 June 2013 - 7.0 sen per ordinary share of RM0.10 each	-	447.2
	<b>1,051.1</b>	<b>990.5</b>



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**g) Segment Revenue & Results**

(RM'Million)

	Plantation	Property Development	Property Investment	Resource-based Manufacturing	Other Operations	Eliminations	Consolidated
<b>9 Months Ended 31/03/14</b>							
<b>REVENUE</b>							
External Sales	217.6	621.9	53.3	8,825.8	114.1	-	9,832.7
Inter-segment sales	1,400.9	-	-	-	-	(1,400.9)	-
Total Revenue	<b>1,618.5</b>	<b>621.9</b>	<b>53.3</b>	<b>8,825.8</b>	<b>114.1</b>	<b>(1,400.9)</b>	<b>9,832.7</b>
<b>RESULT</b>							
Operating profit	803.3	278.1	33.5	656.2	60.4	-	1,831.5
Share of results of associates	73.3	-	-	28.2	-	-	101.5
Share of results of jointly controlled entities	-	31.0	-	(0.8)	-	-	30.2
Segment results	<b>876.6</b>	<b>309.1</b>	<b>33.5</b>	<b>683.6</b>	<b>60.4</b>	<b>-</b>	<b>1,963.2</b>
<b>9 Months Ended 31/03/13</b>							
<b>REVENUE</b>							
External Sales	92.4	745.4	79.7	9,117.5	128.2	-	10,163.2
Inter-segment sales	1,465.7	-	-	-	-	(1,465.7)	-
Total Revenue	<b>1,558.1</b>	<b>745.4</b>	<b>79.7</b>	<b>9,117.5</b>	<b>128.2</b>	<b>(1,465.7)</b>	<b>10,163.2</b>
<b>RESULT</b>							
Operating profit	850.4	385.4	104.3	451.4	65.1	-	1,856.6
Share of results of associates	63.4	-	-	22.7	-	-	86.1
Share of results of jointly controlled entities	-	48.6	-	-	-	-	48.6
Segment results	<b>913.8</b>	<b>434.0</b>	<b>104.3</b>	<b>474.1</b>	<b>65.1</b>	<b>-</b>	<b>1,991.3</b>



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**g) Segment Revenue & Results (Continued)**

The reportable segment of discontinued operations that included in the above segmental reporting is as follows:

(RM'Million)	<b>Discontinued operations</b>			<b>Total</b>
	<b>Property Development</b>	<b>Property Investment</b>	<b>Other Operations</b>	
<b>9 Months Ended 31/03/14</b>				
<b>REVENUE</b>				
External Sales	<b>620.9</b>	<b>55.0</b>	<b>92.2</b>	<b>768.1</b>
Inter-segment sales	-	-	-	-
Total Revenue	<b>620.9</b>	<b>55.0</b>	<b>92.2</b>	<b>768.1</b>
<b>RESULT</b>				
Operating profit	<b>277.4</b>	<b>33.3</b>	<b>28.0</b>	<b>338.7</b>
Share of results of associates	-	-	<b>1.5</b>	<b>1.5</b>
Share of results of jointly controlled entities	<b>31.0</b>	-	-	<b>31.0</b>
Segment results	<b>308.4</b>	<b>33.3</b>	<b>29.5</b>	<b>371.2</b>
<b>9 Months Ended 31/03/13</b>				
<b>REVENUE</b>				
External Sales	740.6	79.4	110.7	930.7
Inter-segment sales	-	-	-	-
Total Revenue	740.6	79.4	110.7	930.7
<b>RESULT</b>				
Operating profit	380.0	104.0	38.8	522.8
Share of results of associates	-	-	6.7	6.7
Share of results of jointly controlled entities	48.6	-	-	48.6
Segment results	428.6	104.0	45.5	578.1





**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**g) Segment Revenue & Results (Continued)**

The reconciliation of reportable segment results to the Group's corresponding amounts is as follows:

	9 Months Ended 31/03/14				9 Months Ended 31/03/13			
	Continuing operations RM'Million	Discontinued operations RM'Million	Adjustment RM'Million	Total RM'Million	Continuing operations RM'Million	Discontinued operations RM'Million	Adjustment RM'Million	Total RM'Million
Revenue	<b>9,079.2</b>	<b>768.1</b>	<b>(14.6)</b>	<b>9,832.7</b>	9,259.2	930.7	(26.7)	10,163.2
Segment results	<b>1,592.0</b>	<b>371.2</b>	-	<b>1,963.2</b>	1,413.2	578.1	-	1,991.3
Translation (loss)/gain on foreign currency denominated borrowings	<b>(141.6)</b>	-	-	<b>(141.6)</b>	362.4	-	-	362.4
Translation gain/(loss) on foreign currency denominated cash and cash equivalents	<b>5.9</b>	-	-	<b>5.9</b>	(45.4)	-	-	(45.4)
Unallocated fair value gain/(loss) on derivative financial instruments	<b>35.7</b>	-	-	<b>35.7</b>	(16.8)	-	-	(16.8)
Unallocated fair value loss on financial liabilities	-	-	-	-	(0.4)	-	-	(0.4)
Unallocated fair value gain/(loss) on financial assets	<b>9.2</b>	-	-	<b>9.2</b>	(2.2)	-	-	(2.2)
Net gain arising from demerger of subsidiary	<b>1,834.7</b>	-	-	<b>1,834.7</b>	-	-	-	-
Other unallocated corporate net expenses	<b>(92.9)</b>	-	-	<b>(92.9)</b>	(44.4)	-	-	(44.4)
Profit before interest and taxation	<b>3,243.0</b>	<b>371.2</b>	-	<b>3,614.2</b>	1,666.4	578.1	-	2,244.5
Finance cost	<b>(213.7)</b>	<b>(22.8)</b>	<b>29.1</b>	<b>(207.4)</b>	(207.1)	(27.5)	24.6	(210.0)
Interest income	<b>43.2</b>	<b>17.1</b>	<b>(29.1)</b>	<b>31.2</b>	38.1	26.6	(24.6)	40.1
Profit before taxation	<b>3,072.5</b>	<b>365.5</b>	-	<b>3,438.0</b>	1,497.4	577.2	-	2,074.6
Taxation	<b>(325.6)</b>	<b>(125.4)</b>	-	<b>(451.0)</b>	(229.3)	(126.8)	-	(356.1)
Profit for the period	<b>2,746.9</b>	<b>240.1</b>	-	<b>2,987.0</b>	1,268.1	450.4	-	1,718.5

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**g) Segment Revenue & Results (Continued)**

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 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**

There were no material events subsequent to 31 March 2014 that have not been reflected in the financial statements.

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

There were no material changes in the composition of the Group during the financial period ended 31 March 2014 except for the following:

- i. On 2 October 2013, IOI Plantation Sdn Bhd (“IOI Plant”), a wholly owned subsidiary of the Company acquired 339 million ordinary shares of RM0.25 each in Unico-Desa Plantations Berhad (“Unico”) (“Unico Shares”) representing approximately 39.55% of the issued and paid-up share capital of Unico for a total consideration of RM396.63 million.

With the above acquisition, IOI Plant’s shareholdings in Unico has exceeded 33% of the voting shares in Unico. IOI Plant has therefore extended a conditional take-over offer to acquire all the remaining Unico Shares not already held by IOI Plant amounting to 518,110,000 Unico Shares (“Offer Shares”), representing approximately 60.45% of the issued and paid up share capital of Unico (excluding 2,890,000 treasury shares), at a cash offer price of RM1.17 per Offer Share (“Offer”), pursuant to Section 218(2) of the Capital Market and Services Act, 2007 (“CMSA”) and Section 9(1) Part III of the Malaysian Code on Take-Overs and Mergers, 2010.

On 11 November 2013, IOI Plant has obtained control of Unico, holding 76.64% of voting shares in Unico after receiving valid acceptances for 310,937,171 Offer Shares. Unico has since become a subsidiary of the Group.

The analysis of the above acquisition is summarised as follows:

Fair value of the identifiable assets and liabilities of Unico at the date of acquisition

	<b>RM' million</b>
Non-current assets	1,049.3
Current assets	20.7
Non-current liabilities	(74.1)
Current liabilities	(33.3)
Total identifiable net assets	<u>962.6</u>

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

**i) Changes in the Composition of the Group (Continued)**

Net cash outflow arising from the acquisition

	<b>RM' million</b>
Total identifiable net assets	962.6
Less: Share of associate result prior to control obtained	(1.0)
Goodwill arising from acquisition	33.8
Non-controlling interest	<u>(194.2)</u>
Purchase consideration discharged by cash	801.2
Less: Cash and cash equivalents acquired	<u>(3.2)</u>
Acquisition of subsidiary, net of cash and cash equivalents acquired	<u><u>798.0</u></u>

Subsequent to Unico becoming a subsidiary of the Group on 11 November 2013, IOI Plant continued to receive acceptances of the Offer, resulted IOI Plant holding 94.06% of the voting shares of Unico on 11 December 2013. Following that, IOI Plant has invoked Section 222 of the CMSA to compulsorily acquire the remaining Offer Shares for which valid acceptance has not been received.

On 21 February 2014, IOI Plant completed the acquisition of 100% equity interest in Unico.

The above acquisition has no material effect on the financial results of the Group for the current financial period as Unico contribution to the Group's revenue and Group's profit since acquisition date is only 0.8% and 0.6% respectively.

- ii. On 13 January 2014, the Group completed the demerger exercise to create two separate and independent listed entities. Following the demerger, IOI Properties Group Berhad which holds the property development, property investment and other property related businesses of IOIC ceased to be a subsidiary of the Company.

The analysis of the above demerger is summarised as follows:

	<b>RM' million</b>
Non-current assets	9,250.0
Current assets	3,503.4
Non-current liabilities	(713.2)
Current liabilities	<u>(1,887.8)</u>
	10,152.4
Exchange translation reserve	(298.9)
Non-controlling interests	<u>(195.8)</u>
	9,657.7
Less: Proceeds from restricted offer for sale	(1,874.7)
Less: Distribution-in-specie	<u>(9,617.7)</u>
Net gain arising from demerger of subsidiary	<u><u>(1,834.7)</u></u>
Proceeds from restricted offer for sale	1,874.7
Less: Cash and cash equivalents of subsidiary disposed	<u>(671.4)</u>
Proceeds from restricted offer for sale, net of cash and cash equivalents disposed	<u><u>1,203.3</u></u>

**j) Contingent Liabilities**

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

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**1) Detailed Analysis of the Performance of all Operating Segments of the Group**

**a) Q3 FY2014 vs. Q3 FY2013**

The profit of the Group for Q3 FY2014 of RM2,185.1 million is 287% higher than the profit of RM564.5 million reported for Q3 FY2013. The significant increase is due mainly to the one-off net extraordinary gain of RM1,834.7 million arising from the demerger of the property related businesses in January 2014 (“Demerger”).

Excluding the effect from the Demerger and profit contribution from the property related businesses, the Group’s operating profit from its continuing operations for Q3 FY2014 of RM524.5 million is 11% higher than the operating profit of RM473.5 million reported for Q3 FY2013. The higher operating profit is due to better performance from the plantation business which is moderated by slightly lower contribution from the resource-based manufacturing segment.

**Plantation**

The plantation profit increased by 47% to RM306.8 million for Q3 FY2014, as compared to RM208.3 million reported for Q3 FY2013. The higher profit is due mainly to higher CPO and PK prices realised and an increase in share of results of our associate in Indonesia. Average CPO price realised for Q3 FY2014 was RM2,602/MT as compared to RM2,226/MT for Q3 FY2013.

**Resource-based Manufacturing**

The resource-based manufacturing profit of RM205.2 million for Q3 FY2014 is 9% lower than RM226.1 million reported for Q3 FY2013. The lower manufacturing profit is due to lower margin from the refinery and oleochemicals sub-segments as well as lower sales volume from the refinery sub-segment, offset by higher contribution from specialty oils and fats due to better margin as compared to same period last year.

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

- 1) **Detailed Analysis of the Performance of all Operating Segments of the Group (Continued)**
- b) **Q3 YTD FY2014 vs. Q3 YTD FY2013**

For Q3 YTD FY2014, the Group reported a profit of RM2,987.0 million, which is 74% higher than the profit of RM1,718.5 million reported for Q3 YTD FY2013. The significant increase is due mainly to the one-off net extraordinary gain of RM1,834.7 million arising from the Demerger moderated by translation loss of RM141.6 million on foreign currency denominated borrowings as compared to a translation gain of RM362.4 million for the same period last year.

Excluding the non-recurring items above, the underlying profit of the group for Q3 YTD FY2014 is 16% higher than Q3 YTD FY2013, mainly due to higher contribution from the resource-based manufacturing segment, moderated by slightly lower contribution from the plantation segment.

**Plantation**

The plantation segment reported a lower profit of RM876.6 million for Q3 YTD FY2014 as compared to RM913.8 million for Q3 YTD FY2013. The lower profit reported is due mainly to higher operating costs and higher replanting expenses due to the increase in replanting area, moderated by higher PK price realised. Average PK price realised for Q3 YTD FY2014 was RM1,582/MT as compared to RM1,252/MT for Q3 YTD FY2013.

**Resource-based Manufacturing**

The resource-based manufacturing segment posted a higher profit of RM683.6 million in Q3 YTD FY2014 as compared to RM474.1 million in Q3 YTD FY2013. The increase in profit is due mainly to higher margin achieved from all sub-segments as well as the increase in sales volume from oleochemicals sub-segment.

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

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

The Group reported a profit of RM2,185.1 million for Q3 FY2014, which is 342% higher than RM494.3 million reported for Q2 FY2014. The significant increase is due mainly to the one-off net extraordinary gain of RM1,834.7 million arising from the Demerger.

Excluding the effect from the Demerger and profit contribution from the property related businesses, the profit of the group for Q3 FY2014 is 6% lower than Q2 FY2014. This is mainly due to:

- a) The plantation profit decreased marginally by 2% to RM306.8 million for Q3 FY2014 as compared to RM313.7 million for Q2 FY2014, mainly due to lower FFB production of 781,506 MT (Q2 FY2014 – 1,019,010 MT) by 23%, offset by higher CPO and PK prices realised.
- b) The resource-based manufacturing segment reported a profit of RM205.2 million in Q3 FY2014, 21% lower than Q2 FY2014, due mainly to lower margin from refinery and oleochemicals sub-segments attributed by higher cost of feedstock.



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**2) Material Change in Profit for the Current Quarter as Compared with the Immediate Preceding Quarter  
(Continued)**

The analysis of contribution by segment is as follows:

	CURRENT QUARTER				PRECEDING QUARTER				DIFFERENCE	
	Continuing operations RM'Million	Discontinued operations RM'Million	Adjustment RM'Million	Total RM'Million	Continuing operations RM'Million	Discontinued operations RM'Million	Adjustment RM'Million	Total RM'Million	RM'Million	
Plantation	306.8	-	-	306.8	310.2	3.5	-	313.7	(6.9)	(2%)
Property development	-	-	-	-	0.4	159.5	-	159.9	(159.9)	
Property investment	0.1	-	-	0.1	0.1	16.7	-	16.8	(16.7)	
Total Property	0.1	-	-	0.1	0.5	176.2	-	176.7	(176.6)	(100%)
Resource-based manufacturing	205.2	-	-	205.2	259.8	-	-	259.8	(54.6)	(21%)
Other operations	16.3	-	-	16.3	10.5	15.7	-	26.2	(9.9)	(38%)
Segment results	528.4	-	-	528.4	581.0	195.4	-	776.4	(248.0)	(32%)
Translation gain/(loss) on foreign currency denominated borrowings	36.5	-	-	36.5	(14.0)	-	-	(14.0)	50.5	361%
Translation gain/(loss) on foreign currency denominated cash and cash equivalents	0.1	-	-	0.1	(6.7)	-	-	(6.7)	6.8	102%
Unallocated fair value gain on derivative financial instruments	7.1	-	-	7.1	6.5	-	-	6.5	0.6	9%
Net gain arising from demerger of subsidiary	1,834.7	-	-	1,834.7	-	-	-	-	1,834.7	100%
Other unallocated corporate net expenses	(47.6)	-	-	(47.6)	(26.0)	-	-	(26.0)	(21.6)	83%
Profit before interest and taxation	2,359.2	-	-	2,359.2	540.8	195.4	-	736.2	1,623.0	220%
Finance cost	(70.8)	-	-	(70.8)	(71.8)	(12.0)	14.3	(69.5)	(1.3)	2%
Interest income	6.3	-	-	6.3	18.3	7.5	(14.3)	11.5	(5.2)	(45%)
Profit before taxation	2,294.7	-	-	2,294.7	487.3	190.9	-	678.2	1,616.5	238%
Taxation	(109.6)	-	-	(109.6)	(113.5)	(70.4)	-	(183.9)	74.3	(40%)
Profit for the period	2,185.1	-	-	2,185.1	373.8	120.5	-	494.3	1,690.8	342%

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**3) Prospects**

With higher biodiesel mandates in both Malaysia and Indonesia and the increase in demand from India and Pakistan due to the festive season, crude palm oil (“CPO”) prices are likely to be well supported at the current level in the remaining FY2014 financial quarter. In the medium term, the likely occurrence of El Nino during the second half of the year may give a further boost to CPO prices.

As for the resource-based manufacturing segment, both our specialty oils and fats and oleochemicals business are expected to perform reasonably well in the remaining financial quarter.

Overall, the Group’s performance is expected to be satisfactory for FY2014.

**4) Achievability of forecast results**

Not applicable.

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

Not applicable.

**6) Taxation**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER RM'Million	PRECEDING YEAR CORRESPONDING QUARTER RM'Million (Restated)	CURRENT YEAR TO DATE RM'Million	PRECEDING YEAR CORRESPONDING PERIOD RM'Million (Restated)
The tax expense comprises the following:				
Current taxation				
- Current year	109.0	88.1	334.9	260.7
- Prior years	(2.1)	(31.2)	(2.1)	(31.5)
Deferred taxation				
- Current year	2.7	5.3	4.9	0.1
- Prior years	-	-	(12.1)	-
	<b>109.6</b>	<b>62.2</b>	<b>325.6</b>	<b>229.3</b>

The effective tax rate of the Group for the current quarter is lower than the statutory tax rate due principally to the non-taxable income.



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**7) Corporate Proposal**

**Acquisition and Take-over Offer**

Proposal	<p>On 2 October 2013, IOI Plantation Sdn Bhd (“IOI Plant”), a wholly owned subsidiary of the Company acquired 339 million ordinary shares of RM0.25 each in Unico-Desa Plantations Berhad (“Unico” or the “Offeror”) (“Unico Shares”) representing approximately 39.55% of the issued and paid-up share capital of Unico for a total consideration of RM396.63 million (“Acquisition”).</p> <p>Following the Acquisition, IOI Plant’s shareholdings in Unico has exceeded 33% of the voting shares in Unico. Pursuant to Section 218(2) of the Capital Market and Services Act, 2007 (“CMSA”) and Section 9(1) Part III of the Malaysian Code on Take-Overs and Mergers, 2010, IOI Plant is obligated to extend a conditional take-over offer to acquire all the remaining Unico Shares not already held by the Offeror amounting to 518,110,000 Unico Shares (“Offer Shares”), representing approximately 60.45% of the issued and paid up share capital of Unico (excluding 2,890,000 treasury shares), at a cash offer price of RM1.17 per Offer Share (“Offer”).</p>
Adviser	RHB Investment Bank Berhad
Status	<p>On 21 February 2014, RHB Investment Bank, on behalf of IOI Plant had announced that IOI Plant had completed the compulsory acquisition of the remaining Offer Shares held by dissenting shareholders in accordance with Section 222 of the CMSA. Pursuant thereto, Unico is effectively an indirect wholly-owned subsidiary of the Company.</p>

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**8) Group Borrowings and Debts Securities**

Group borrowings and debt securities as at 31 March 2014 are as follows:

	RM Million
<b>a) Short term borrowings</b>	
Unsecured	
Denominated in RM	58.5
Denominated in USD (USD760.2 million)	2,488.6
Denominated in EUR (EUR16.5 million)	74.1
Total Short Term Borrowings	<u>2,621.2</u>
<b>b) Long term borrowings</b>	
Secured	
Denominated in USD (USD0.1 million)	0.1
Unsecured	
Denominated in JPY (JPY21,000.0 million)	665.3
Denominated in USD (USD1,371.8 million)	4,474.2
	<u>5,139.5</u>
Total Long Term Borrowings	<u>5,139.6</u>
Total Borrowings	<u>7,760.8</u>



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**9) Derivative Financial Instruments**

a) The outstanding forward foreign exchange contracts as at 31 March 2014 are as follows:

	Contract/Notional Value (Million) Net long/(short)				Fair Value – assets/(liabilities) (RM'Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
<b>Vanilla Contracts</b>									
USD/RM	USD	(371.3)	-	-	(371.3)	11.2	-	-	11.2
EUR/RM	EUR	(17.0)	-	-	(17.0)	-	-	-	-
USD/EUR	USD	283.5	-	-	283.5	(7.0)	-	-	(7.0)
GBP/EUR	GBP	0.3	-	-	0.3	-	-	-	-
EUR/USD	USD	(81.3)	-	-	(81.3)	5.9	-	-	5.9
EUR/GBP	GBP	(5.4)	-	-	(5.4)	(0.3)	-	-	(0.3)
EUR/CAD	CAD	(2.5)	-	-	(2.5)	0.3	-	-	0.3
EUR/CHF	CHF	(0.1)	-	-	(0.1)	-	-	-	-
USD/RMB	USD	(12.6)	-	-	(12.6)	-	-	-	-
JPY/RM	JPY	(831.0)	-	-	(831.0)	0.3	-	-	0.3
GBP/RM	GBP	(1.4)	-	-	(1.4)	-	-	-	-
RM/EUR	RM	29.3	-	-	29.3	-	-	-	-
EUR/RM	RM	(70.4)	-	-	(70.4)	0.7	-	-	0.7
SGD/RM	SGD	0.8	-	-	0.8	-	-	-	-
USD/CAD	CAD	(1.9)	-	-	(1.9)	-	-	-	-
CAD/USD	USD	0.1	-	-	0.1	-	-	-	-
RM/USD	USD	(73.7)	-	-	(73.7)	1.2	-	-	1.2
RM/EUR	EUR	(0.5)	-	-	(0.5)	-	-	-	-
RM/SGD	SGD	(0.1)	-	-	(0.1)	-	-	-	-
RM/RMB	RMB	(48.1)	-	-	(48.1)	0.5	-	-	0.5
AUD/EUR	AUD	(0.5)	-	-	(0.5)	-	-	-	-
						<b>12.8</b>	-	-	<b>12.8</b>

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

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

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(The figures have not been audited)

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

**9) Derivative Financial Instruments (Continued)**

b) The outstanding commodity contracts as at 31 March 2014 are as follows:

	Contract/Notional Value (Million) Net long/(short)				Fair Value – assets/(liabilities) (RM*Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
<b>Forward Contracts</b>	RM	111.6	-	-	<b>111.6</b>	(5.9)	-	-	<b>(5.9)</b>
	USD	(3.4)	-	-	<b>(3.4)</b>	26.6	-	-	<b>26.6</b>
	SGD	(0.1)	-	-	<b>(0.1)</b>	-	-	-	<b>-</b>
						<b>20.7</b>	-	-	<b>20.7</b>
<b>Futures</b>	RM	85.8	-	-	<b>85.8</b>	(2.1)	-	-	<b>(2.1)</b>
	RM	(109.4)	-	-	<b>(109.4)</b>	(1.2)	-	-	<b>(1.2)</b>
	USD	2.1	-	-	<b>2.1</b>	(0.6)	-	-	<b>(0.6)</b>
	USD	4.8	-	-	<b>4.8</b>	(0.6)	-	-	<b>(0.6)</b>
						<b>(4.5)</b>	-	-	<b>(4.5)</b>

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 31 March 2014 are as follows:

	Contract/Notional Value (Million)				Fair Value – assets/(liabilities) (RM*Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
JPY liability to USD liability <sup>1</sup>	JPY	-	-	15,000.0	<b>15,000.0</b>	-	-	26.2	<b>26.2</b>
JPY liability to USD liability <sup>2</sup>	JPY	-	-	6,000.0	<b>6,000.0</b>	-	-	10.3	<b>10.3</b>
Floating rate USD liability to fixed rate RM liability <sup>3</sup>	USD	-	100.0	-	<b>100.0</b>	-	32.1	-	<b>32.1</b>
Floating rate USD liability to floating rate SGD liability <sup>4</sup>	USD	-	156.0	-	<b>156.0</b>	-	3.1	-	<b>3.1</b>

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> The contracts effectively swapped the Group's floating rate USD100 million Term Loan into fixed rate RM302 million liability and serve as a cashflow hedge for the Group's principal repayment for the USD loan obtained.

<sup>4</sup> The contracts effectively swapped the Group's floating rate USD156 million Term Loan into floating rate SGD197 million liability and serve as a hedge against the Group's SGD denominated assets.

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

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(The figures have not been audited)

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

**9) Derivative Financial Instruments (Continued)**

**d)** The outstanding interest rate swap contracts as at 31 March 2014 are as follows:

	Contract/Notional Value (Million)					Fair Value – assets/(liabilities) (RM'Million)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Interest Rate Swaps <sup>1</sup>	USD	-	-	600.0	<b>600.0</b>	-	-	(41.6)	<b>(41.6)</b>
	USD	-	74.0	-	<b>74.0</b>	-	(2.8)	-	<b>(2.8)</b>

<sup>1</sup> 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.



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(The figures have not been audited)

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

**10) Fair Value Changes of Financial Liabilities**

Type of Financial Liability	Fair Value Gain/(Loss)		Basis of Fair Value Measurement	Reason for gain/(loss)
	Current Quarter	Current Year To Date		
	RM'Million	RM'Million		
<b>Forward foreign exchange contracts</b>	48.2	50.9	The difference between the contracted rates and the market forward rates	The exchange rates have moved favourably for the Group from the last measurement date
<b>Commodity futures</b>	1.1	(1.4)	The difference between the contracted prices rate and forward prices	The prices for the respective commodity futures have moved favourably for / (unfavourably against) the Group from the last measurement date
<b>Commodity forward contracts</b>	(10.2)	(9.1)	The difference between the contracted prices rate and forward prices	The prices for the respective commodity forward contracts have moved unfavourably against the Group from the last measurement date
<b>Interest rate swap</b>	8.0	11.5	The difference between fixed and floating interest rates	The floating interest rate has moved favourably for the Group from the last measurement date

**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**11) Realised and Unrealised Profits**

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

	RM'Million
<b>Total retained profits of IOI Corporation Berhad and its subsidiaries:</b>	
- Realised	10,053.9
- Unrealised	92.5
	10,146.4
<b>Total share of retained profits from associated companies:</b>	
- Realised	255.9
- Unrealised	127.0
	382.9
<b>Total share of accumulated losses from jointly controlled entities:</b>	
- Realised	(1.0)
- Unrealised	-
	(1.0)
	10,528.3
<b>Less: Consolidation adjustments</b>	<b>(5,026.6)</b>
<b>Total Group retained profits</b>	<b>5,501.7</b>



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**12) Notes to the Condensed Consolidated Statement of Comprehensive Income**

Profit for the period has been arrived after charging/(crediting):

	CURRENT YEAR QUARTER (31/03/14)				CURRENT YEAR TO DATE (31/03/14)			
	Continuing operations RM'Million	Discontinued operations RM'Million	Adjustment RM'Million	Total RM'Million	Continuing operations RM'Million	Discontinued operations RM'Million	Adjustment RM'Million	Total RM'Million
Interest income	(6.3)	-	-	(6.3)	(43.2)	(17.1)	29.1	(31.2)
Other income including investment income								
- Dividend income	(15.0)	-	-	(15.0)	(34.7)	(1.9)	-	(36.6)
Interest expense	70.8	-	-	70.8	213.7	22.8	(29.1)	207.4
Depreciation and amortisation	47.5	-	-	47.5	159.7	-	-	159.7
(Reversal of)/provision for and write off of receivables	(0.6)	-	-	(0.6)	(0.1)	1.3	-	1.2
Net reversal of inventories written down to net realisable value	(12.8)	-	-	(12.8)	(6.5)	-	-	(6.5)
Foreign exchange loss	21.5	-	-	21.5	256.7	0.4	-	257.1
Gain on derivatives	(45.7)	-	-	(45.7)	(99.6)	-	-	(99.6)
Other exceptional items:								
Net gain arising from demerger of subsidiary	(1,834.7)	-	-	(1,834.7)	(1,834.7)	-	-	(1,834.7)

Other than as per disclosed above, the group does not have other material items that recognised as profit/ loss in the statement of profit or loss and statement of other comprehensive income.



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(The figures have not been audited)

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

**13) Material Litigation**

There is no new material litigation or significant changes to the status of material litigations which are pending disposal in the courts since 30 June 2013. For ease of reference, the material litigation brought forward is detailed below:

**IOI Corporation Berhad**

A Writ of Summons and Statement of Claim had been filed at the High Court of Malaya at Kuala Lumpur ("High Court") (No.D24-22-438-2003) by Tuan Haji Zulkifli Bin Husain and 6 others ("Plaintiffs"), 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 ("Defendants"). 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 Plaintiff's claim in this suit is based on similar facts arising from the previous High Court proceeding initiated by the first Plaintiff against the Securities Commission (with the Company and Tan Sri Dato' Lee Shin Cheng subsequently allowed to be joined as parties) seeking an order of mandamus 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 then filed an appeal to the Court of Appeal (W-02-1640-91) against the decision of the High Court on 16 June 2011. The parties submission on the appeal proceeded on 6 November 2013 and 18 November 2013 and after the close of submission the Court of Appeal dismissed the Appellants' case with cost.

The Appellants then filed a Notice of Motion to the Federal Court for leave to appeal against the Court of Appeal decision and the matter is now fixed for hearing on 27 May 2014.

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(The figures have not been audited)

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

**14) Dividend**

On 9 December 2013, the Board declared a distribution-in-specie of 2,130,349,033 ordinary shares of RM1.00 each in IOI Properties Group Berhad (“IOIPG”) (“IOIPG Share(s)”) held by IOI Corporation Berhad (“IOIC”) to all shareholders of IOIC on the basis of one (1) IOIPG share for every three (3) ordinary shares of RM0.10 each in IOIC (“IOIC Share(s)”).

The IOIPG Shares were distributed as distribution-in-specie on 13 January 2014.

On 25 February 2014, the Board declared an interim single tier dividend of 80% or 8.0 sen per ordinary share of RM0.10 each in respect of the financial year ending 30 June 2014. The dividend was paid on 21 March 2014.

No dividend has been proposed for this quarter (31 March 2013: nil).

The total dividend declared to date for the current financial year is a single tier dividend of 8.0 sen (31 March 2013: 7.0 sen) per ordinary share of RM0.10 each.

**15) Earnings per Share**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM'Million	RM'Million	RM'Million	RM'Million
<b>a) Basic earnings per share</b>				
Profit for the period attributable to owners of the parent				
From continuing operations	2,176.6	371.4	2,734.3	1,263.4
From discontinued operations	-	196.4	231.2	439.6
	<b>2,176.6</b>	<b>567.8</b>	<b>2,965.5</b>	<b>1,703.0</b>
Weighted average number of ordinary shares in issue ('Million)	<b>6,364.3</b>	6,387.9	<b>6,380.5</b>	6,392.4
Basic earnings per share (sen)				
From continuing operations	34.20	5.81	42.86	19.76
From discontinued operations	-	3.08	3.62	6.88
Total	<b>34.20</b>	<b>8.89</b>	<b>46.48</b>	<b>26.64</b>

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(The figures have not been audited)

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

**15) Earnings per Share (Continued)**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM'Million	RM'Million	RM'Million	RM'Million
<b>b) Diluted earnings per share</b>				
Adjusted profit for the period attributable to owners of the Company :				
Profit for the period attributable to owners of the parent				
From continuing operations	2,176.6	371.4	2,734.3	1,263.4
From discontinued operations	-	196.4	231.2	439.6
	<b>2,176.6</b>	<b>567.8</b>	<b>2,965.5</b>	<b>1,703.0</b>
Adjusted weighted average number of ordinary shares in issue ('Million)				
Weighted average number of ordinary shares in issue	6,364.3	6,387.9	6,380.5	6,392.4
Assumed exercise of Executive Share Options at beginning of period	12.2	14.8	14.0	16.0
	<b>6,376.5</b>	<b>6,402.7</b>	<b>6,394.5</b>	<b>6,408.4</b>
Diluted earnings per share (sen)				
From continuing operations	34.13	5.80	42.77	19.71
From discontinued operations	-	3.07	3.61	6.86
Total	<b>34.13</b>	<b>8.87</b>	<b>46.38</b>	<b>26.57</b>

**16) Audit Qualification**

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

By Order of the Board

Lim Lai Seng  
Company Secretary

Putrajaya  
22 May 2014



**Interim Report For The Financial Period Ended 31 March 2014**

(The figures have not been audited)

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

**Group Plantation Statistics**

		<b>As At 31/03/14</b>	<b>As At 31/03/13</b>
<b>Planted Area</b>			
Oil palm			
Mature	<i>(hectares)</i>	<b>150,643</b>	142,417
Total planted	<i>(hectares)</i>	<b>172,140</b>	159,651
Rubber			
Total planted	<i>(hectares)</i>	<b>465</b>	496
<b>Total Titled Area</b>	<i>(hectares)</i>	<b>207,271</b>	181,069

		<b>31/03/14 (9 months)</b>	<b>31/03/13 (9 months)</b>
<b>Average Mature Area</b>			
Oil Palm	<i>(hectares)</i>	<b>145,365</b>	139,171
<b>Production</b>			
Oil Palm			
FFB production	<i>(tonnes)</i>	<b>2,676,351</b>	2,711,572
Yield per mature hectare	<i>(tonnes)</i>	<b>18.41</b>	19.48
FFB processed	<i>(tonnes)</i>	<b>2,695,470</b>	2,704,127
Crude palm oil production	<i>(tonnes)</i>	<b>567,833</b>	562,659
Palm kernel production	<i>(tonnes)</i>	<b>144,222</b>	142,892
Crude palm oil extraction rate	<i>(%)</i>	<b>21.07%</b>	20.81%
Palm kernel extraction rate	<i>(%)</i>	<b>5.35%</b>	5.28%
<b>Average Selling Price Realised</b>			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	<b>2,459</b>	2,470
Palm kernel	<i>(RM/tonne)</i>	<b>1,582</b>	1,252