



IOI GROUP

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

**Interim Report
For The Financial Period Ended
30 June 2014**

Interim Report For The Financial Period Ended 30 June 2014

(The figures have not been audited)

Condensed Consolidated Statement of Profit or Loss

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/06/14 RM'Million	30/06/13 RM'Million (Restated)	30/06/14 RM'Million	30/06/13 RM'Million (Restated)
CONTINUING OPERATIONS				
Revenue	2,831.4	2,939.3	11,910.6	12,198.5
Operating profit	469.3	132.0	1,778.4	1,719.0
Share of results of associates	27.8	24.8	127.8	104.2
Share of results of joint ventures	-	(0.2)	(0.8)	(0.2)
Profit before interest and taxation	497.1	156.6	1,905.4	1,823.0
Interest income	4.6	21.4	47.8	59.6
Finance cost	(68.7)	(72.0)	(282.4)	(279.1)
Profit before taxation	433.0	106.0	1,670.8	1,603.5
Taxation	(82.7)	(90.9)	(408.4)	(320.2)
Profit from continuing operations	350.3	15.1	1,262.4	1,283.3
DISCONTINUED OPERATIONS *				
Profit after taxation of discontinued operations	-	264.6	240.1	714.9
Net gain arising from Demerger Exercise	52.4	-	1,887.2	-
	52.4	264.6	2,127.3	714.9
Profit for the period	402.7	279.7	3,389.7	1,998.2
Attributable to owners of the parent				
From continuing operations	355.1	16.7	1,254.6	1,280.1
From discontinued operations	52.4	254.0	2,118.4	693.6
	407.5	270.7	3,373.0	1,973.7
Attributable to non-controlling interests	(4.8)	9.0	16.7	24.5
	402.7	279.7	3,389.7	1,998.2
Earnings per share for profit attributable to owners of the Company (sen)				
Basic earnings per share				
From continuing operations	5.59	0.26	19.69	20.03
From discontinued operations	0.83	3.98	33.24	10.85
Total	6.42	4.24	52.93	30.88
Diluted earnings per share				
From continuing operations	5.58	0.26	19.64	19.98
From discontinued operations	0.82	3.97	33.16	10.83
Total	6.40	4.23	52.80	30.81

(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 30 June 2014

(The figures have not been audited)

Condensed Consolidated Statement of Other Comprehensive Income

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER 30/06/14 RM'Million	PRECEDING YEAR CORRESPONDING QUARTER 30/06/13 RM'Million (Restated)	CURRENT YEAR TO DATE 30/06/14 RM'Million	PRECEDING YEAR CORRESPONDING PERIOD 30/06/13 RM'Million (Restated)
Profit for the period	402.7	279.7	3,389.7	1,998.2
Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss				
Actuarial gains/(losses) on defined benefit obligation	0.6	(4.2)	0.6	(4.2)
	0.6	(4.2)	0.6	(4.2)
Other comprehensive (loss)/income that will be reclassified subsequently to profit or loss when specific conditions are met				
Exchange differences on translation of foreign operations	(38.5)	153.3	177.1	134.1
Share of other comprehensive (loss)/income of associates	(4.2)	0.5	7.0	1.5
	(42.7)	153.8	184.1	135.6
Other comprehensive (loss)/income for the period	(42.1)	149.6	184.7	131.4
Total comprehensive income for the period, net of tax	360.6	429.3	3,574.4	2,129.6
Total comprehensive income attributable to:				
Owners of the Company	360.9	420.1	3,555.2	2,104.7
Non-controlling interests	(0.3)	9.2	19.2	24.9
	360.6	429.3	3,574.4	2,129.6

*: 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 30 June 2014

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position

	AS AT END OF CURRENT QUARTER 30/06/14 RM'Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/13 RM'Million (Restated)
ASSETS		
Non-current assets		
Property, plant & equipment	6,410.0	5,293.8
Prepaid lease payments	30.1	29.8
Investment properties	8.3	7.3
Goodwill on consolidation	458.4	429.0
Associates	886.9	797.3
Joint ventures	33.0	8.8
Derivative financial assets	75.1	45.3
Deferred tax assets	43.8	62.3
	<u>7,945.6</u>	<u>6,673.6</u>
Current assets		
Inventories	2,154.6	1,753.8
Receivables	1,101.6	1,104.2
Derivative financial assets	61.4	59.3
Other investments	80.7	72.6
Short term funds	3,450.0	1,826.4
Short term deposits	186.8	264.1
Cash and bank balances	350.9	878.9
	<u>7,386.0</u>	<u>5,959.3</u>
Assets of disposal group held for sale/ held for distribution to owners	# -	11,273.8
TOTAL ASSETS	<u>15,331.6</u>	<u>23,906.7</u>

#: *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 the disposal group held for sale/ held for distribution to owners are disclosed on page 5 of this interim report.*

(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 30 June 2014

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position (Continued)

	AS AT END OF CURRENT QUARTER 30/06/14 RM'Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/13 RM'Million (Restated)
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	645.0	643.4
Share premium	27.6	2,013.4
Other reserves	(101.4)	71.0
Treasury shares	(441.0)	(235.7)
Retained earnings	5,906.6	11,158.4
	6,036.8	13,650.5
Non-controlling interests	196.3	280.0
Total equity	6,233.1	13,930.5
Non-current liabilities		
Long term borrowings	5,069.3	7,104.9
Derivative financial liabilities	44.8	55.9
Other long term liabilities	36.3	44.5
Deferred tax liabilities	451.4	398.4
	5,601.8	7,603.7
Current liabilities		
Payables	940.5	790.2
Derivative financial liabilities	58.1	96.3
Short term borrowings	2,454.2	219.4
Provision for taxation	43.9	26.5
	3,496.7	1,132.4
Liabilities of disposal group held for sale/ held for distribution to owners	-	1,240.1
Total liabilities	9,098.5	9,976.2
TOTAL EQUITY AND LIABILITIES	15,331.6	23,906.7
Net assets per share attributable to owners of the Company (RM)	0.95	2.14

#: *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 the disposal group held for sale/ held for distribution to owners are disclosed on page 5 of this interim report.*

(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 30 June 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 the disposal group held for sale/ held for distribution to owners are as follows:

	AS AT END OF CURRENT QUARTER 30/06/14 RM'Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/13 RM'Million
Assets of disposal group held for sale/ held for distribution to owners		
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
Joint ventures	-	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>
Liabilities of disposal group held for sale/ held for distribution to owners		
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 30 June 2014

(The figures have not been audited)

Condensed Consolidated Statement of Cash Flows

	12 Months Ended 30/06/14 RM'Million	12 Months Ended 30/06/13 RM'Million (Restated)
Operating Activities		
Profit before taxation		
From continuing operations	1,670.8	1,603.5
From discontinued operations	2,252.7	907.6
	<u>3,923.5</u>	<u>2,511.1</u>
Adjustments for:		
Depreciation	226.7	248.1
Other non-cash items	(1,855.8)	(374.1)
Operating profit before working capital changes	<u>2,294.4</u>	<u>2,385.1</u>
(Increase)/decrease in inventories	(289.0)	784.7
(Increase)/decrease in receivables and other assets	(224.9)	42.0
Increase in payables and other liabilities	<u>362.8</u>	<u>123.9</u>
Cash generated from operations	<u>2,143.3</u>	<u>3,335.7</u>
Other payments	(29.7)	(28.2)
Taxes paid	(451.0)	(532.3)
Net cash inflow from operating activities	<u>1,662.6</u>	<u>2,775.2</u>
Investing Activities		
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	116.2	124.8
Interest received	22.7	23.9
Proceeds from disposal of property, plant and equipment	8.2	4.4
Proceeds from disposal of other investments	7.9	0.9
Other receipts/(payments)	4.1	(9.3)
Proceeds from disposal of land from compulsory acquisitions	-	3.7
Proceeds from disposal of investment properties	-	1.6
Acquisition of 50% equity interest in Prime Joy Investments Limited	-	0.7
Settlement of shareholders' advances owing by Prime Joy Investments Limited	-	(91.8)
Additions to prepaid lease payments	(4.8)	(102.5)
Acquisition of additional interest in associate	(6.3)	-
Investments in joint ventures	(22.9)	(25.5)
Advances to joint ventures	(31.8)	(129.1)
Additions to other investments	(62.1)	(0.5)
Additions to investment properties	(125.1)	(450.5)
Acquisitions of additional interest in subsidiaries	(237.0)	(10.2)
Additions to property, plant and equipment	(336.2)	(451.0)
Investment in land held for development	(491.5)	(1,156.6)
Acquisition of subsidiary, net of cash and cash equivalents acquired	(766.0)	-
Net cash inflow/(outflow) from investing activities	<u>282.7</u>	<u>(2,267.0)</u>

(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 30 June 2014

(The figures have not been audited)

Condensed Consolidated Statement of Cash Flows (Continued)

	12 Months Ended 30/06/14 RM'Million	12 Months Ended 30/06/13 RM'Million (Restated)
Financing Activities		
Proceeds from/(repayment) of other borrowings	215.0	(104.0)
Issuance of shares	56.2	22.4
Proceeds from issuance of preference shares to non-controlling interests	1.0	-
Drawdown of term loan	-	502.4
Advances from non-controlling interests	-	6.2
Redemption of 3rd Exchangeable Bonds	-	(13.2)
Dividends paid to non-controlling interests	(12.3)	(22.4)
Repayment of term loan	(28.7)	(502.4)
Repurchase of Guaranteed Notes	(79.4)	-
Repurchase of shares	(205.3)	(96.1)
Payment of interests	(294.8)	(287.0)
Payment of dividends	(1,051.1)	(990.5)
Net cash outflow from financing activities	(1,399.4)	(1,484.6)
Net increase/(decrease) in cash and cash equivalents	545.9	(976.4)
Cash and cash equivalents at beginning of period	3,410.6	4,360.7
Effect of exchange rate changes	31.2	26.3
Cash and cash equivalents at end of period	3,987.7	3,410.6

@: *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 30 June 2014

(The figures have not been audited)

Condensed Consolidated Statement Of Changes In Equity

(RM'Million)	Non-distributable					Distributable	Total 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			
As at 1 July 2013									
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	-	-	-	-	-	(21.5)	(21.5)	-	(21.5)
As restated	643.4	2,013.4	127.2	(56.2)	(235.7)	11,158.4	13,650.5	280.0	13,930.5
Total comprehensive income	-	-	-	181.6	-	3,373.6	3,555.2	19.2	3,574.4
Transactions with owners									
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	1.6	68.5	(13.9)	-	-	-	56.2	-	56.2
Repurchase of shares	-	-	-	-	(205.3)	-	(205.3)	-	(205.3)
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 Exercise	-	-	-	(340.5)	-	-	(340.5)	(199.0)	(539.5)
Changes in equity interest in subsidiaries	-	-	-	-	-	(10.9)	(10.9)	(169.5)	(180.4)
Arising from acquisition of subsidiary	-	-	-	-	-	-	-	224.9	224.9
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	53.0	53.0
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(12.3)	(12.3)
As at 30 June 2014	645.0	27.6	113.7	(215.1)	(441.0)	5,906.6	6,036.8	196.3	6,233.1

(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 30 June 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		
As at 1 July 2012									
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
Total comprehensive income	-	-	-	135.2	-	1,969.5	2,104.7	24.9	2,129.6
Transactions with owners									
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	0.7	27.5	(5.8)	-	-	-	22.4	-	22.4
Repurchase of share	-	-	-	-	(96.1)	-	(96.1)	-	(96.1)
Recognition of share option expenses	-	-	0.2	-	-	-	0.2	-	0.2
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	(22.4)	(22.4)
Changes in equity interest in subsidiaries	-	-	-	-	-	2.8	2.8	(10.5)	(7.7)
As at 30 June 2013	643.4	2,013.4	127.2	(56.2)	(235.7)	11,158.4	13,650.5	280.0	13,930.5

(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 30 June 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:

Title	Effective Date
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 (2011)</i>	1 January 2013
FRS 127 <i>Separate Financial Statements</i>	1 January 2013
FRS 128 <i>Investments in Associates and Joint Ventures (revised)</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 recognised 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 recognised in Other Comprehensive Income.



Interim Report For The Financial Period Ended 30 June 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
As at 1 July 2012			
<u>Condensed Consolidated Statement of Financial Position</u>			
Assets			
Deferred tax assets	71.1	7.0	78.1
Liabilities			
Other long term liabilities	147.3	27.9	175.2
Equity			
Retained earnings	10,197.5	(20.9)	10,176.6
As at 30 June 2013			
<u>Condensed Consolidated Statement of Financial Position</u>			
Assets			
Deferred tax assets	57.3	5.0	62.3
Liabilities			
Other long term liabilities	18.0	26.5	44.5
Equity			
Retained earnings	11,179.9	(21.5)	11,158.4
<u>Condensed Consolidated Statement of Profit or Loss</u>			
Operating profit			
Individual quarter as at 30 June 2013	127.7	4.3	132.0
Cumulative quarter (12 months) as at 30 June 2013	1,714.7	4.3	1,719.0
Taxation			
Individual quarter as at 30 June 2013	90.2	0.7	90.9
Cumulative quarter (12 months) as at 30 June 2013	319.5	0.7	320.2
<u>Condensed Consolidated Statement of Other Comprehensive Income</u>			
Actuarial losses on defined benefit obligation			
Individual quarter as at 30 June 2013	-	(4.2)	(4.2)
Cumulative quarter (12 months) as at 30 June 2013	-	(4.2)	(4.2)



Interim Report For The Financial Period Ended 30 June 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, and 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:

- 982,200 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.
- 1,047,500 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.
- 4,059,000 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 47,155,600 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.

iii. During the current financial year-to-date, the Group repurchased part of the Guaranteed Notes of USD23,551,000 from the open market. Subsequent to the repurchased, the balance of Guaranteed Notes outstanding is USD476,449,000.



Interim Report For The Financial Period Ended 30 June 2014

(The figures have not been audited)

f) Dividends Paid

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



Interim Report For The Financial Period Ended 30 June 2014

(The figures have not been audited)

g) Segment Revenue & Results

(RM'Million)	Plantation	Resource-based Manufacturing	Other Operations	Eliminations	Total Continuing Operations	Discontinued Operations	Adjustment *	Total
12 Months Ended 30/06/14								
REVENUE								
External Sales	260.4	11,584.9	65.3	-	11,910.6	768.1	(14.6)	12,664.1
Inter-segment sales	1,943.2	-	-	(1,943.2)	-	-	-	-
Total Revenue	2,203.6	11,584.9	65.3	(1,943.2)	11,910.6	768.1	(14.6)	12,664.1
RESULT								
Operating profit	1,085.9	760.1	70.0	-	1,916.0	338.7	-	2,254.7
Share of results of associates	99.8	28.0	-	-	127.8	1.5	-	129.3
Share of results of joint ventures	-	(0.8)	-	-	(0.8)	31.0	-	30.2
Segment results	1,185.7	787.3	70.0	-	2,043.0	371.2	-	2,414.2
12 Months Ended 30/06/13								
REVENUE								
External Sales	142.8	11,984.7	71.0	-	12,198.5	1,355.0	(37.0)	13,516.5
Inter-segment sales	1,858.9	-	-	(1,858.9)	-	-	-	-
Total Revenue	2,001.7	11,984.7	71.0	(1,858.9)	12,198.5	1,355.0	(37.0)	13,516.5
RESULT								
Operating profit	979.6	579.8	61.2	-	1,620.6	825.7	-	2,446.3
Share of results of associates	76.0	28.2	-	-	104.2	6.9	-	111.1
Share of results of joint ventures	-	(0.2)	-	-	(0.2)	82.5	-	82.3
Segment results	1,055.6	607.8	61.2	-	1,724.6	915.1	-	2,639.7

*: Inter-operations sales within continuing operations and discontinued operations.



Interim Report For The Financial Period Ended 30 June 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:

	12 Months Ended 30/06/14				12 Months Ended 30/06/13			
	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
Segment results	2,043.0	371.2	-	2,414.2	1,724.6	915.1	-	2,639.7
Translation (loss)/gain on foreign currency denominated borrowings	(40.3)	-	-	(40.3)	191.4	-	-	191.4
Translation gain/(loss) on foreign currency denominated cash and cash equivalents	5.9	-	-	5.9	(30.9)	-	-	(30.9)
Unallocated fair value gain on derivative financial instruments	18.3	-	-	18.3	9.0	-	-	9.0
Unallocated fair value gain/(loss) on financial assets	10.9	-	-	10.9	(1.0)	-	-	(1.0)
Other unallocated corporate net expenses	(132.4)	-	-	(132.4)	(70.1)	-	-	(70.1)
Profit before interest and taxation	1,905.4	371.2	-	2,276.6	1,823.0	915.1	-	2,738.1
Finance cost	(282.4)	(22.8)	29.1	(276.1)	(279.1)	(41.2)	39.9	(280.4)
Interest income	47.8	17.1	(29.1)	35.8	59.6	33.7	(39.9)	53.4
Profit before taxation	1,670.8	365.5	-	2,036.3	1,603.5	907.6	-	2,511.1
Taxation	(408.4)	(125.4)	-	(533.8)	(320.2)	(192.7)	-	(512.9)
	1,262.4	240.1	-	1,502.5	1,283.3	714.9	-	1,998.2
Net gain arising from Demerger Exercise	-	1,887.2	-	1,887.2	-	-	-	-
Profit for the period	1,262.4	2,127.3	-	3,389.7	1,283.3	714.9	-	1,998.2

*: Inter-operations transactions within continuing operations and discontinued operations.

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

	RM' million
Non-current assets	1,046.3
Current assets	20.7
Non-current liabilities	(74.1)
Current liabilities	(33.3)
Total identifiable net assets	<u>959.6</u>

Interim Report For The Financial Period Ended 30 June 2014

(The figures have not been audited)

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

Net cash outflow arising from the acquisition

	RM' million
Total identifiable net assets	959.6
Less: Share of associate result prior to control obtained	(1.0)
Goodwill arising from acquisition	35.5
Non-controlling interest	<u>(224.9)</u>
Purchase consideration discharged by cash	769.2
Less: Cash and cash equivalents acquired	<u>(3.2)</u>
Acquisition of subsidiary, net of cash and cash equivalents acquired	<u><u>766.0</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 1.0% and 0.9% respectively. Unico contribution to the Group's profit excluding profit from discontinued operations is 2.4%.

- ii. On 13 January 2014, the Group completed the demerger exercise to create two separate and independent listed entities ("Demerger")("Demerger Exercise"). 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:

	RM' million
Non-current assets	9,250.0
Current assets	3,495.7
Non-current liabilities	(713.2)
Current liabilities	<u>(1,887.8)</u>
	10,144.7
Exchange translation reserve	(340.5)
Non-controlling interests	<u>(199.0)</u>
	9,605.2
Less: Proceeds from restricted offer for sale	(1,874.7)
Less: Distribution-in-specie	<u>(9,617.7)</u>
Net gain arising from Demerger Exercise	<u><u>(1,887.2)</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 30 June 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) Q4 FY2014 vs. Q4 FY2013

The profit of the Group for Q4 FY2014 of RM402.7 million is 44% higher than the profit of RM279.7 million reported for Q4 FY2013. The increase is due mainly to the translation gain of RM101.3 million (Q4 FY2013 – loss of RM171.0 million) on foreign currency denominated borrowings and gain of RM52.4 million arising from the demerger of the property business from the Group, offsetted by the cessation of profit contribution from the property related business in Q4 FY2014 following the Demerger.

Excluding the non-recurring items and translation difference above, the Group's operating profit from its continuing operations for Q4 FY2014 of RM395.8 million is 21% higher than the operating profit of RM327.6 million reported for Q4 FY2013. The higher operating profit is due to better performance from the plantation business which is moderated by lower contribution from the resource-based manufacturing segment.

Plantation

The plantation profit increased by 92% to RM318.6 million for Q4 FY2014, as compared to RM165.6 million reported for Q4 FY2013. The higher profit is due mainly to higher CPO and PK prices realised as well as higher FFB production. Average CPO price realised for Q4 FY2014 was RM2,661/MT as compared to RM2,314/MT for Q4 FY2013.

Resource-based Manufacturing

The resource-based manufacturing profit of RM103.7 million for Q4 FY2014 is 22% lower than RM133.6 million reported for Q4 FY2013. The lower manufacturing profit is mainly due to lower sales volume and margin from the refinery sub-segment, mitigated by better results from specialty oils and fats sub-segment.

Interim Report For The Financial Period Ended 30 June 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) **FY2014 vs. FY2013**

For FY2014, the Group reported a profit of RM3,389.7 million, which is 70% higher than the profit of RM1,998.2 million reported for FY2013. The significant increase is due mainly to the gain of RM1.89 billion arising from the demerger of the property business from the Group, moderated by translation loss of RM40.3 million on foreign currency denominated borrowings as compared to a translation gain of RM191.4 million for the same period last year.

Excluding the non-recurring items and translation difference above, the Group's operating profit from its continuing operations for FY2014 of RM1,945.7 million is 19% higher than the operating profit of RM1,631.6 million reported for FY2013, mainly due to higher contribution from all business segments.

Plantation

The plantation segment reported a higher profit of RM1,185.7 million for FY2014 as compared to RM1,055.6 million for FY2013. The higher profit reported is due mainly to higher CPO and PK prices realised as well as higher FFB production. Average CPO price realised for FY2014 was RM2,509/MT as compared to RM2,433/MT for FY2013.

Resource-based Manufacturing

The resource-based manufacturing segment posted a higher profit of RM787.3 million in FY2014 which is 30% higher than the reported profit of RM607.8 million in FY2013. The increase in profit is due mainly to higher margin and increase in sales volume from oleochemicals and specialty oils and fats sub-segments.

In the opinion of the Directors, the results for the financial year under review have not been affected by any transaction or event of a material or unusual nature which may have arisen between 30 June 2014 and the date of this announcement.

Interim Report For The Financial Period Ended 30 June 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 RM402.7 million for Q4 FY2014, which is 82% lower than RM2,185.1 million reported for Q3 FY2014. The lower profit is due mainly to the gain of RM1,834.7 million arising from the demerger of the property business from the Group recognised in the preceding quarter.

Excluding the effect from the demerger, the profit of RM350.3 million for Q4 FY2014 is comparable to the profit of RM350.4 million for Q3 FY2014 as follows:

- a) higher profit from plantation segment which is due to higher FFB production and CPO price;
- b) increase in translation gain on foreign currency denominated borrowings from RM36.5 million for Q3 FY2014 to RM101.3 million for Q4 FY2014; offset by
- c) lower contribution from the resource-based manufacturing segment which is attributed to lower margin from refinery sub-segment.

The analysis of contribution by segment is as follows:

	CURRENT QUARTER RM'Million	PRECEDING QUARTER RM'Million	DIFFERENCE RM'Million	
Continuing operations				
Plantation	318.6	306.8	11.8	4%
Resource-based manufacturing	103.7	205.2	(101.5)	(49%)
Other operations	28.7	16.4	12.3	75%
Segment results	451.0	528.4	(77.4)	(15%)
Translation gain on foreign currency denominated borrowings	101.3	36.5	64.8	178%
Translation gain on foreign currency denominated cash and cash equivalents	-	0.1	(0.1)	(100%)
Unallocated fair value (loss)/gain on derivative financial instruments	(17.4)	7.1	(24.5)	(346%)
Other unallocated corporate net expenses	(37.8)	(47.6)	9.8	(21%)
Profit before interest and taxation	497.1	524.5	(27.4)	(5%)
Finance cost	(68.7)	(70.8)	2.1	(3%)
Interest income	4.6	6.3	(1.7)	(27%)
Profit before taxation	433.0	460.0	(27.0)	(6%)
Taxation	(82.7)	(109.6)	26.9	(25%)
Profit from continuing operations	350.3	350.4	(0.1)	(0%)
Discontinued operations				
Net gain arising from Demerger Exercise	52.4	1,834.7	(1,782.3)	(97%)
	52.4	1,834.7	(1,782.3)	(97%)
Profit for the period	402.7	2,185.1	(1,782.4)	(82%)

Interim Report For The Financial Period Ended 30 June 2014

(The figures have not been audited)

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

3) Prospects

Despite the prevailing low crude palm oil (“CPO”) prices, the palms fundamentals are still positive with CPO inventory at a relatively low level of 1.68 million tonnes as published by Malaysian Palm Oil Board recently. Given the current low CPO prices, we anticipate more demand coming from the biodiesel and biofuel sector. Going forward, we also expect higher contribution from our associate in Indonesia, Bumitama Agri Ltd, as more of their young palm trees reach optimum production age.

In the resource-based manufacturing segment, the Group expects its specialty oils and fats and oleochemicals sub-segments to perform satisfactorily in view of the resilient demand from the food sector and also sustainable demand of oleochemicals products from the industrial users.

Overall, the Group’s performance for FY2015 is expected to be satisfactory.

4) Achievability of forecast results

Not applicable.

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

Not applicable.

6) Taxation

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM'Million	RM'Million (Restated)	RM'Million	RM'Million (Restated)
The tax expense comprises the following:				
Current taxation				
- Current year	63.6	109.7	398.6	370.5
- Prior years	(1.4)	(15.6)	(3.5)	(47.2)
Deferred taxation				
- Current year	6.3	(12.7)	11.2	(12.6)
- Prior years	14.2	9.5	2.1	9.5
	82.7	90.9	408.4	320.2

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 30 June 2014

(The figures have not been audited)

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

7) Corporate Proposal

There were no corporate proposals announced by the Group but not completed as at 13 August 2014 (being a date not earlier than 7 days from the date of issue of the quarterly report).

8) Group Borrowings and Debts Securities

Group borrowings and debt securities as at 30 June 2014 are as follows:

	RM'Million
a) Short term borrowings	
Unsecured	
Denominated in RM	57.8
Denominated in USD (USD729.3 million)	2,339.5
Denominated in EUR (EUR13.0 million)	56.9
Total Short Term Borrowings	<u>2,454.2</u>
b) Long term borrowings	
Unsecured	
Denominated in JPY (JPY21,000.0 million)	665.1
Denominated in USD (USD1,372.2 million)	4,404.2
Total Long Term Borrowings	<u>5,069.3</u>
Total Borrowings	<u>7,523.5</u>



Interim Report For The Financial Period Ended 30 June 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 30 June 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
Vanilla Contracts									
USD/RM	USD	(186.5)	-	-	(186.5)	(1.7)	-	-	(1.7)
EUR/RM	EUR	(21.2)	-	-	(21.2)	5.1	-	-	5.1
USD/EUR	USD	328.2	-	-	328.2	(0.1)	-	-	(0.1)
GBP/EUR	GBP	0.3	-	-	0.3	0.1	-	-	0.1
EUR/USD	USD	(73.2)	-	-	(73.2)	1.2	-	-	1.2
EUR/GBP	GBP	(6.5)	-	-	(6.5)	(0.9)	-	-	(0.9)
EUR/CAD	CAD	(3.0)	-	-	(3.0)	(0.3)	-	-	(0.3)
USD/RMB	USD	(12.4)	-	-	(12.4)	0.2	-	-	0.2
JPY/RM	JPY	(666.7)	-	-	(666.7)	-	-	-	-
GBP/RM	GBP	(1.5)	-	-	(1.5)	-	-	-	-
RM/EUR	RM	41.4	-	-	41.4	0.6	-	-	0.6
EUR/RM	RM	(22.4)	-	-	(22.4)	(0.6)	-	-	(0.6)
SGD/RM	SGD	0.4	-	-	0.4	-	-	-	-
USD/CAD	CAD	(1.1)	-	-	(1.1)	(0.1)	-	-	(0.1)
CAD/USD	USD	(1.6)	-	-	(1.6)	0.1	-	-	0.1
RM/USD	USD	(1.7)	-	-	(1.7)	0.4	-	-	0.4
RM/EUR	EUR	(0.2)	-	-	(0.2)	-	-	-	-
RM/RMB	RMB	(51.8)	-	-	(51.8)	0.7	-	-	0.7
RM/SGD	SGD	0.1	-	-	0.1	-	-	-	-
RMB/RM	RMB	(0.5)	-	-	(0.5)	-	-	-	-
AUD/EUR	AUD	(0.5)	-	-	(0.5)	-	-	-	-
						4.7	-	-	4.7

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.

Interim Report For The Financial Period Ended 30 June 2014

(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 30 June 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
Forward Contracts	RM	87.9	-	-	87.9	0.1	-	-	0.1
	USD	11.2	-	-	11.2	1.8	-	-	1.8
						1.9	-	-	1.9
Futures	RM	211.1	-	-	211.1	(4.2)	-	-	(4.2)
	RM	(45.4)	-	-	(45.4)	1.1	-	-	1.1
	USD	0.3	-	-	0.3	(0.4)	-	-	(0.4)
	USD	6.1	-	-	6.1	0.2	-	-	0.2
					(3.3)	-	-	(3.3)	

The above 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 June 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 ¹	JPY	-	-	15,000.0	15,000.0	-	-	35.0	35.0
JPY liability to USD liability ²	JPY	-	-	6,000.0	6,000.0	-	-	13.3	13.3
Floating rate USD liability to fixed rate RM liability ³	USD	-	100.0	-	100.0	-	26.8	-	26.8
Floating rate USD liability to floating rate SGD liability ⁴	USD	-	156.0	-	156.0	-	(1.0)	-	(1.0)

¹ 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.

² 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.

³ 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.

⁴ 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.

Interim Report For The Financial Period Ended 30 June 2014

(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 30 June 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 ¹	USD	-	-	600.0	600.0	-	-	(40.4)	(40.4)
	USD	-	74.0	-	74.0	-	(3.4)	-	(3.4)

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 June 2014

(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		
Forward foreign exchange contracts	(14.5)	36.3	The difference between the contracted rates and the market forward rates	The exchange rates have moved (unfavourably against)/favourably for the Group from the last measurement date
Commodity futures	(1.3)	(2.7)	The difference between the contracted prices rate and forward prices	The prices for the respective commodity futures have moved unfavourably against the Group from the last measurement date
Commodity forward contracts	13.6	4.6	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	(1.0)	(1.0)	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 unfavourably against the Group from the last measurement date
Interest rate swap	0.6	12.1	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 30 June 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
Total retained profits of IOI Corporation Berhad and its subsidiaries:	
- Realised	10,360.3
- Unrealised	105.7
	10,466.0
Total share of retained profits from associated companies:	
- Realised	262.8
- Unrealised	124.5
	387.3
Total share of accumulated losses from joint ventures:	
- Realised	(1.0)
- Unrealised	-
	(1.0)
	10,852.3
Less: Consolidation adjustments	(4,945.7)
Total Group retained profits	5,906.6



Interim Report For The Financial Period Ended 30 June 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 (30/06/14)				CURRENT YEAR TO DATE (30/06/14)			
	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	(4.6)	-	-	(4.6)	(47.8)	(17.1)	29.1	(35.8)
Other income including investment income								
- Dividend income	(25.1)	-	-	(25.1)	(59.8)	(1.9)	-	(61.7)
Interest expense	68.7	-	-	68.7	282.4	22.8	(29.1)	276.1
Depreciation and amortisation	67.1	-	-	67.1	226.7	-	-	226.7
Provision for and write off of receivables	0.3	-	-	0.3	0.2	1.3	-	1.5
Provision for and write off/(reversal of) inventories	5.9	-	-	5.9	(0.6)	-	-	(0.6)
Foreign exchange (gain)/loss	(119.5)	-	-	(119.5)	137.3	0.4	-	137.7
Loss/(Gain) on derivatives	19.4	-	-	19.4	(80.2)	-	-	(80.2)
Other exceptional items:								
Net gain arising from Demerger Exercise	-	(52.4)	-	(52.4)	-	(1,887.2)	-	(1,887.2)

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.

Interim Report For The Financial Period Ended 30 June 2014

(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 which came up for hearing on 27 May 2014 was vacated to the next hearing on 26 August 2014 due to issues concerning the coram and the absence of the grounds of decision.

Interim Report For The Financial Period Ended 30 June 2014

(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 ended 30 June 2014. The dividend was paid on 21 March 2014.

On 1 July 2014, the Board declared a second interim single tier dividend of 120% or 12.0 sen per ordinary share of RM0.10 each in respect of the financial year ended 30 June 2014 (30 June 2013: 8.5 sen). The dividend was paid on 25 July 2014.

The total cash dividend declared todate for the current financial year is a single tier dividend of 20.0 sen (30 June 2013: 15.5 sen) per ordinary share of RM0.10 each.

15) Earnings per Share

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM'Million	RM'Million	RM'Million	RM'Million
a) Basic earnings per share				
Profit for the period attributable to owners of the parent				
From continuing operations	355.1	16.7	1,254.6	1,280.1
From discontinued operations	52.4	254.0	2,118.4	693.6
	407.5	270.7	3,373.0	1,973.7
Weighted average number of ordinary shares in issue (Million)	6,351.1	6,387.1	6,373.2	6,391.3
Basic earnings per share (sen)				
From continuing operations	5.59	0.26	19.69	20.03
From discontinued operations	0.83	3.98	33.24	10.85
Total	6.42	4.24	52.93	30.88

Interim Report For The Financial Period Ended 30 June 2014

(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 (Q4)		CUMULATIVE QUARTER (12 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) Diluted earnings per share				
Adjusted profit for the period attributable to owners of the Company :				
Profit for the period attributable to owners of the parent				
From continuing operations	355.1	16.7	1,254.6	1,280.1
From discontinued operations	52.4	254.0	2,118.4	693.6
	407.5	270.7	3,373.0	1,973.7
Adjusted weighted average number of ordinary shares in issue ('Million)				
Weighted average number of ordinary shares in issue	6,351.1	6,387.1	6,373.2	6,391.3
Assumed exercise of Executive Share Options at beginning of period	16.2	14.3	15.1	15.3
	6,367.3	6,401.4	6,388.3	6,406.6
Diluted earnings per share (sen)				
From continuing operations	5.58	0.26	19.64	19.98
From discontinued operations	0.82	3.97	33.16	10.83
Total	6.40	4.23	52.80	30.81

16) Audit Qualification

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

By Order of the Board

Chee Ban Tuck
Company Secretary

Putrajaya
20 August 2014

Interim Report For The Financial Period Ended 30 June 2014

(The figures have not been audited)

Group Plantation Statistics

		As At 30/06/14	As At 30/06/13
Planted Area			
Oil palm			
Mature	<i>(hectares)</i>	150,482	142,075
Total planted	<i>(hectares)</i>	174,061	160,626
Rubber			
Total planted	<i>(hectares)</i>	465	496
Total Titled Area	<i>(hectares)</i>	207,121	183,207

		30/06/14 (12 months)	30/06/13 (12 months)
Average Mature Area			
Oil Palm	<i>(hectares)</i>	146,126	139,379
Production			
Oil Palm			
FFB production	<i>(tonnes)</i>	3,506,706	3,408,935
Yield per mature hectare	<i>(tonnes)</i>	24.00	24.46
FFB processed	<i>(tonnes)</i>	3,543,442	3,397,481
Crude palm oil production	<i>(tonnes)</i>	751,536	708,028
Palm kernel production	<i>(tonnes)</i>	186,450	179,115
Crude palm oil extraction rate	<i>(%)</i>	21.21%	20.84%
Palm kernel extraction rate	<i>(%)</i>	5.26%	5.27%
Average Selling Price Realised			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	2,509	2,433
Palm kernel	<i>(RM/tonne)</i>	1,709	1,241