



IOI GROUP

IOI CORPORATION BERHAD (9027-W)

(Incorporated in Malaysia)

**Interim Report
For The Financial Period Ended
30 June 2019**



IOI GROUP

IOI CORPORATION BERHAD (9027-W)

(Incorporated in Malaysia)

Interim Report For The Financial Period Ended 30 June 2019

(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	Changes (%)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	Changes (%)
	30/06/2019 RM Million	30/06/2018 RM Million		30/06/2019 RM Million	30/06/2018 RM Million	
CONTINUING OPERATIONS						
Revenue [^]	1,738.2	1,802.1	-4%	7,385.6	7,417.6	0%
Operating profit	146.5	156.0	-6%	908.9	1,242.3	-27%
Share of results of associates	25.0	42.4	-41%	170.8	140.9	21%
Share of results of joint ventures	(0.5)	(0.2)	-150%	(2.9)	(2.6)	-12%
Profit before interest and taxation	171.0	198.2	-14%	1,076.8	1,380.6	-22%
Interest income	16.2	23.7	-32%	73.4	71.9	2%
Finance costs	(38.8)	(46.6)	-17%	(175.5)	(200.1)	-12%
Net foreign currency translation (loss)/gain on foreign currency denominated borrowings	(82.3)	(169.2)	-51%	(123.4)	297.7	nm
Net foreign currency translation gain on foreign currency denominated deposits	6.9	60.9	-89%	21.3	20.6	3%
Profit before taxation	73.0	67.0	9%	872.6	1,570.7	-44%
Taxation	(32.2)	(54.2)	-41%	(255.0)	(334.0)	-24%
Profit from continuing operations	40.8	12.8	219%	617.6	1,236.7	-50%
DISCONTINUED OPERATIONS						
Profit from discontinued operations	-	-	nm	-	151.9	nm
Gain on disposal of discontinued operations	-	(44.4)	nm	-	1,154.8	nm
Gain on re-measurement of share of associate	-	42.8	nm	-	342.1	nm
Recognition of fair value of put-call options	-	20.3	nm	-	182.8	nm
	-	18.7	nm	-	1,831.6	nm
Profit for the period	40.8	31.5	30%	617.6	3,068.3	-80%
Attributable to owners of the parent:						
From continuing operations	46.6	17.1	173%	631.7	1,228.9	-49%
From discontinued operations	-	18.7	nm	-	1,831.6	nm
	46.6	35.8	30%	631.7	3,060.5	-79%
Attributable to non-controlling interests						
	(5.8)	(4.3)	35%	(14.1)	7.8	nm
	40.8	31.5	30%	617.6	3,068.3	-80%

*nm = not meaningful

[^]: Exclude inter-operations sales to discontinued operations.

(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 2018 and the accompanying explanatory notes attached to this interim financial report.)



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Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

Condensed Consolidated Statement of Profit or Loss (Continued)

	INDIVIDUAL QUARTER (Q4)			CUMULATIVE QUARTER (12 Mths)		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	Changes	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	Changes
	30/06/2019 RM Million	30/06/2018 RM Million	(%)	30/06/2019 RM Million	30/06/2018 RM Million	(%)
Earnings per share for profit attributable to owners of the parent (sen)						
Basic earnings per share						
From continuing operations	0.74	0.27	174%	10.05	19.56	-49%
From discontinued operations	-	0.30	nm	-	29.14	nm
Total	0.74	0.57	30%	10.05	48.70	-79%
Diluted earnings per share						
From continuing operations	0.74	0.27	174%	10.05	19.56	-49%
From discontinued operations	-	0.30	nm	-	29.14	nm
Total	0.74	0.57	30%	10.05	48.70	-79%

(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 2018 and the accompanying explanatory notes attached to this interim financial report.)



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Condensed Consolidated Statement of Other Comprehensive Income

	INDIVIDUAL QUARTER (Q4)			CUMULATIVE QUARTER (12 Mths)		
	CURRENT YEAR	PRECEDING YEAR	Changes (%)	CURRENT YEAR	PRECEDING YEAR	Changes (%)
	QUARTER	CORRESPONDING QUARTER		TO DATE	CORRESPONDING PERIOD	
	30/06/2019 RM Million	30/06/2018 RM Million		30/06/2019 RM Million	30/06/2018 RM Million	
Profit for the period	40.8	31.5	30%	617.6	3,068.3	-80%
Other comprehensive (loss)/income that will not be reclassified subsequently to profit or loss						
Share of other comprehensive (loss)/income of associates	(1.8)	0.9	nm	(3.9)	(4.8)	19%
Share of reserves of associates arising from changes in accounting estimates	-	-	nm	-	9.9	nm
Re-measurements of the defined benefit obligations	(0.3)	(1.7)	-82%	(0.8)	(1.7)	-53%
	(2.1)	(0.8)	163%	(4.7)	3.4	nm
Other comprehensive income/(loss) that will be reclassified subsequently to profit or loss when specific conditions are met						
Exchange differences on translation of foreign operations	39.6	13.1	202%	55.0	(145.4)	nm
Other comprehensive income arising from discontinued operations	-	-	nm	-	112.4	nm
Share of other comprehensive loss of associates	(15.4)	(6.0)	157%	(14.0)	(1.7)	724%
Hedge of net investments in foreign operations	5.9	(2.6)	nm	10.1	(4.3)	nm
	30.1	4.5	569%	51.1	(39.0)	nm
Other comprehensive income/(loss) for the period	28.0	3.7	657%	46.4	(35.6)	nm
Total comprehensive income for the period, net of tax	68.8	35.2	95%	664.0	3,032.7	-78%
Total comprehensive income attributable to:						
Owners of the parent	76.3	39.1	95%	681.4	3,016.2	-77%
Non-controlling interests	(7.5)	(3.9)	92%	(17.4)	16.5	nm
	68.8	35.2	95%	664.0	3,032.7	-78%

(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 2018 and the accompanying explanatory notes attached to this interim financial report.)



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Condensed Consolidated Statement of Financial Position

	AS AT END OF CURRENT QUARTER 30/06/2019 RM Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/2018 RM Million
ASSETS		
Non-current assets		
Property, plant and equipment	8,458.8	8,411.2
Intangible assets	412.2	394.9
Investments in associates	2,610.1	2,491.1
Derivative assets	154.3	155.4
Deferred tax assets	9.5	14.7
Other non-current assets	60.4	51.6
	11,705.3	11,518.9
Current assets		
Inventories	778.0	949.1
Receivables	773.5	816.2
Derivative assets	407.7	398.9
Other investments	69.2	86.1
Amount due from associates	94.4	147.4
Other current assets	73.5	61.4
Short term funds	1,775.7	1,087.9
Deposits with financial institutions	302.6	1,276.0
Cash and bank balances	520.3	400.7
	4,794.9	5,223.7
TOTAL ASSETS	16,500.2	16,742.6

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to this interim financial report.)



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Condensed Consolidated Statement of Financial Position (Continued)

	AS AT END OF CURRENT QUARTER 30/06/2019 RM Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/2018 RM Million
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	788.1	786.7
Other reserves	34.6	(16.9)
Retained earnings	8,476.9	8,386.5
	<u>9,299.6</u>	<u>9,156.3</u>
Non-controlling interests	211.1	259.4
Total equity	<u>9,510.7</u>	<u>9,415.7</u>
Non-current liabilities		
Borrowings	4,451.9	4,284.5
Derivative liabilities	30.3	53.6
Deferred tax liabilities	1,153.0	1,114.7
Long term lease liabilities	38.3	-
Other long term liabilities	93.4	91.7
	<u>5,766.9</u>	<u>5,544.5</u>
Current liabilities		
Payables	600.3	614.1
Derivative liabilities	149.5	213.3
Short term borrowings	408.7	894.8
Other current liabilities	64.1	60.2
	<u>1,222.6</u>	<u>1,782.4</u>
Total liabilities	<u>6,989.5</u>	<u>7,326.9</u>
TOTAL EQUITY AND LIABILITIES	<u>16,500.2</u>	<u>16,742.6</u>
Net assets per share attributable to owners of the parent (RM)		
	1.48	1.46

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to this interim financial report.)



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

Condensed Consolidated Statement of Cash Flows

	12 Months Ended 30/06/2019 RM Million	12 Months Ended 30/06/2018 RM Million
Operating Activities		
Profit before taxation		
From continuing operations	872.6	1,570.7
From discontinued operations	-	1,859.2
	<u>872.6</u>	<u>3,429.9</u>
Adjustments for:		
Depreciation and amortisation	375.0	408.5
Other non-cash items	12.4	(1,929.4)
	<u>1,260.0</u>	<u>1,909.0</u>
Operating profit before working capital changes	1,260.0	1,909.0
Decrease in inventories	165.4	66.1
Decrease in receivables and other assets	68.2	207.0
Decrease in payables and other liabilities	(36.0)	(394.8)
	<u>1,457.6</u>	<u>1,787.3</u>
Cash generated from operations	1,457.6	1,787.3
Other payments	(2.3)	(2.3)
Net taxes paid	(241.7)	(414.3)
	<u>1,213.6</u>	<u>1,370.7</u>
Net cash inflow from operating activities	1,213.6	1,370.7
Investing Activities		
Dividends received	76.9	52.7
Interest received	72.4	56.9
Additional proceeds from disposal of subsidiaries	54.8	-
Proceeds from disposal of property, plant and equipment	5.3	4.0
Repayment from an associate	4.7	-
Acquisition of additional interest in an associate	(3.0)	(1.5)
Additions to other intangible assets	(22.7)	-
Additions to property, plant and equipment	(395.7)	(444.3)
Proceeds from disposal of the discontinued operations, net of cash and cash equivalents disposed	-	3,448.7
Additions to other investments	-	(0.3)
Additions to prepaid lease payments	-	(2.1)
Advances to associates	-	(5.7)
	<u>(207.3)</u>	<u>3,108.4</u>
Net cash (outflow)/inflow from investing activities	(207.3)	3,108.4
Financing Activities		
Drawdown of term loans	125.9	-
Issuance of shares	1.1	2.4
Payment of lease	(7.0)	-
Dividends paid to non-controlling interests	(30.9)	(18.4)
Repayment of term loans	(84.4)	(1,570.2)
Payment of finance costs	(179.2)	(205.6)
Net repayment of short term borrowings	(501.0)	(164.0)
Payment of dividends	(502.8)	(1,319.7)
	<u>(1,178.3)</u>	<u>(3,275.5)</u>
Net cash outflow from financing activities	(1,178.3)	(3,275.5)
Net (decrease)/increase in cash and cash equivalents	(172.0)	1,203.6
Cash and cash equivalents at beginning of period	2,764.6	1,522.1
Effect of exchange rate changes	6.0	38.9
Cash and cash equivalents at end of period	2,598.6	2,764.6

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to this interim financial report.)

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

(Incorporated in Malaysia)

IOI GROUP**Interim Report For The Financial Period Ended 30 June 2019**

(The figures have not been audited)

Condensed Consolidated Statement of Changes In Equity

(RM Million)	Non-distributable					Distributable	Total attributable to owners of the parent	Non-controlling interests	Total equity
	Share capital	Capital reserve	Other reserve	Hedging reserve	Foreign currency translation reserve	Retained earnings			
As at 1 July 2018	786.7	24.1	(12.8)	(4.2)	(24.0)	8,386.5	9,156.3	259.4	9,415.7
Effect of adopting MFRS 9,15 & 16	-	-	-	-	-	(40.3)	(40.3)	-	(40.3)
As restated	786.7	24.1	(12.8)	(4.2)	(24.0)	8,346.2	9,116.0	259.4	9,375.4
Total comprehensive (loss)/income	-	-	(3.9)	10.1	44.3	630.9	681.4	(17.4)	664.0
Transactions with owners									
Dividends paid in respect of current financial year	-	-	-	-	-	(220.0)	(220.0)	-	(220.0)
Dividends paid in respect of previous financial year	-	-	-	-	-	(282.8)	(282.8)	-	(282.8)
Issue of shares arising from exercise of share options	1.4	(0.3)	-	-	-	-	1.1	-	1.1
Recognition of share option expenses	-	3.9	-	-	-	-	3.9	-	3.9
ESOS lapsed	-	(2.6)	-	-	-	2.6	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(30.9)	(30.9)
As at 30 June 2019	788.1	25.1	(16.7)	5.9	20.3	8,476.9	9,299.6	211.1	9,510.7

(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 2018 and the accompanying explanatory notes attached to this interim financial report.)

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

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IOI GROUP**Interim Report For The Financial Period Ended 30 June 2019**

(The figures have not been audited)

Condensed Consolidated Statement of Changes In Equity (Continued)

(RM Million)	Non-distributable					Distributable	Total attributable to owners of the parent	Non-controlling interests	Total equity
	Share capital	Capital reserve	Other reserve	Hedging reserve	Foreign currency translation reserve	Retained earnings			
As at 1 July 2017	783.8	26.8	(7.9)	(5.6)	25.1	6,635.2	7,457.4	261.3	7,718.7
Total comprehensive (loss)/income	-	-	(4.9)	1.4	(49.1)	3,068.8	3,016.2	16.5	3,032.7
Transactions with owners									
Dividends paid in respect of current financial year	-	-	-	-	-	(282.8)	(282.8)	-	(282.8)
Special dividends in respect of current financial year	-	-	-	-	-	(722.7)	(722.7)	-	(722.7)
Dividends paid in respect of previous financial year	-	-	-	-	-	(314.2)	(314.2)	-	(314.2)
Issue of shares arising from exercise of share options	2.9	(0.5)	-	-	-	-	2.4	-	2.4
ESOS lapsed	-	(2.2)	-	-	-	2.2	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(18.4)	(18.4)
As at 30 June 2018	786.7	24.1	(12.8)	(4.2)	(24.0)	8,386.5	9,156.3	259.4	9,415.7

(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 2018 and the accompanying explanatory notes attached to this interim financial report.)



IOI GROUP

Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

a) Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting*, IAS 34 *Interim Financial Reporting*, provision of the Companies Act 2016 in Malaysia 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 2018.

The explanatory notes attached to this interim financial report 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 2018.

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 June 2018 except for the adoption of the following new/revised MFRSs and amendments to MFRSs:

Title	Effective Date
Amendments to MFRS 1 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarification to MFRS 15	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
Amendments to MFRS 128 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to MFRS 140 <i>Transfers of Investment Property</i>	1 January 2018
Amendments to MFRS 4 <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	See MFRS 4 Paragraphs 46 and 48
MFRS 16 <i>Leases</i>	1 January 2019

The adoption of the above MFRSs, amendments to MFRSs and IC Interpretations 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. *MFRS 9 Financial Instruments*

MFRS 9 replaces MFRS 139 and introduces new requirements for classification and measurement of financial assets and financial liabilities, impairment and hedge accounting. MFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018.

Retrospective application is required but restatement of comparative information is not compulsory. The Group has applied this standard for financial year beginning on 1 July 2018 where no restatement of comparatives was made.



IOI GROUP

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(The figures have not been audited)

a) Accounting Policies (continued)

i. *MFRS 9 Financial Instruments* (continued)

Classification and measurement

MFRS 9 requires for a financial asset to be measured at amortised cost if the financial assets is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at fair value through other comprehensive income (“FVOCI”) if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets will be measured at fair value through profit or loss (“FVTPL”) if the assets that are held for trading or such financial assets are not qualify for neither held at amortised costs nor at FVOCI. Equity instruments that were not elected for FVOCI will be measured at FVTPL.

Classification and measurement of financial liabilities will remain largely unchanged.

Overall, there is no significant impact to the financial statements in the area of classification and measurement for financial assets and financial liabilities for the Group.

Impairment

MFRS 9 impairment requirements are based on an Expected Credit Loss (“ECL”) model that replaces the Incurred Loss model under MFRS 139. The ECL model applies to financial assets that are measured at amortised cost or at FVOCI and issued financial guarantee contracts, which will include trade receivables, advances to related companies and financial guarantee provided to third party in securing borrowings of related companies.

The Group has elected to use the Simplified Approach and to apply the provisional matrix approach, flow-rate model, to calculate the ECL for third party trade receivables and amount due from associates (trade). For financial assets other than trade receivables and amount due from associates (trade), including related company loans, the Group applies the Three-stage General Approach, ECL model, which takes into effect the 12-Month ECL for assets that are within Stage 1, and lifetime ECL for all financial instruments for which there have been significant increases in credit risk.

The initial application of the new ECL model does not have any significant impact on the financial statements of the Group.



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a) Accounting Policies (continued)

i. MFRS 9 *Financial Instruments* (continued)

Hedge accounting

The requirement for general hedge accounting in MFRS 9 have been simplified and may result in more designation of hedge items for accounting purposes.

The Group has retained the present hedge accounting when applying MFRS 9 and there is no impact on the financial statements of the Group.

ii. MFRS 15 *Revenue from Contracts with Customers*

MFRS 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cashflows arising from an entity's contracts with customers. MFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018.

MFRS 15 supersedes the following standards:

- MFRS 111 *Construction Contracts*
- MFRS 118 *Revenue*
- IC Interpretation 13 *Customer Loyalty Programmes*
- IC Interpretation 15 *Agreements for the Construction of Real Estate*
- IC Interpretation 18 *Transfers of Assets from Customers*
- IC Interpretation 131 *Revenue – Barter Transactions Involving Advertising Services*

The Group has applied this standard using retrospective approach with cumulative effect method, the cumulative effect of initially applying this standard is an adjustment to the opening balance on initial application of MFRS 15 on 1 July 2018.

The principles in MFRS 15 requires for an entity to measure and recognise revenue through a five-step model as follows:

- 1) Identify the contract(s) with a customer;
- 2) Identify the performance obligation in the contract;
- 3) Determine the transaction price;
- 4) Allocate the transaction price to the performance obligations in the contract; and
- 5) Recognise revenue when (or as) the entity satisfies a performance obligation.

The initial application of MFRS 15 does not have any significant impact on the financial statements of the Group.



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a) Accounting Policies (continued)

iii. *MFRS 16 Leases*

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires for lessee to account for all leases under a single on-balance sheet model. MFRS 16 will supersede MFRS 117 *Leases*, IC Interpretation 4 *Determining whether an Arrangement contains a Lease*, IC Interpretation 115 *Operating Lease – Incentives* and IC Interpretation 127 *Evaluating the Substance of Transaction Involving the Legal Form of a Lease*.

MFRS 16 is effective for annual periods beginning on or after 1 January 2019 but early application is permitted. The Group has decided to early adopt and apply this standard using the cumulative effect approach, the cumulative effect of the initial application of this standard was adjusted to the opening balances on 1 July 2018.

The initial application of MFRS 16 does not have any significant impact on the financial statements of the Group.

iv. *Financial Impact*

The financial impact from the initial application of MFRS 9, 15 and 16 as at 1 July 2018 are as follows:

Condensed Consolidated Statement of Financial Position

	As previously stated RM Million	Effects of adoption MFRS 9 RM Million	Effects of adoption MFRS 15 RM Million	Effects of adoption MFRS 16 RM Million	As restated RM Million
As at 1 July 2018					
Assets					
Deferred tax assets	14.7	0.7	-	-	15.4
Other non-current assets	51.6	(2.4)	-	19.9	69.1
Trade and other receivables	816.2	(2.7)	-	-	813.5
Amounts due from associates	147.4	(1.1)	-	-	146.3
Liabilities					
Lease liabilities	-	-	-	51.8	51.8
Deferred tax liabilities	1,114.7	(0.4)	-	3.3	1,117.6
Equity					
Retained earnings	8,386.5	(5.1)	-	(35.2)	8,346.2



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b) Seasonal or Cyclical Factors

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

c) Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income, and cash flows for the 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 245,000 shares for cash at RM4.42 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.
- ii. On 6 March 2019, the Company offered a total of 6,530,000 share options at an option price of RM4.50 per ordinary share to the Eligible Persons of the Group in accordance with the By-Laws of the Executive Share Option Scheme, out of which 6,470,000 share options were accepted by the Eligible Persons. As at 30 June 2019, 550,000 share options were lapsed and none of the balance options has been exercised.



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f) Dividends Paid

	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM Million	RM Million
First interim single tier dividend in respect of financial year ended 30 June 2019		
- 3.5 sen per ordinary share	220.0	-
Second interim single tier dividend in respect of financial year ended 30 June 2018		
- 4.5 sen per ordinary share	282.8	-
First interim single tier dividend in respect of financial year ended 30 June 2018		
- 4.5 sen per ordinary share	-	282.8
Special single tier dividend in respect of financial year ended 30 June 2018		
- 11.5 sen per ordinary share	-	722.7
Second interim single tier dividend in respect of financial year ended 30 June 2017		
- 5.0 sen per ordinary share	-	314.2
	502.8	1,319.7

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

(Incorporated in Malaysia)

IOI GROUP**Interim Report For The Financial Period Ended 30 June 2019**

(The figures have not been audited)

g) Segment Revenue & Results

(RM Million)	Plantation	Resource-based Manufacturing	Other Operations	Elimination	Total Continuing Operations	Discontinued Operations	Elimination	Total
12 Months Ended 30/06/19								
REVENUE								
External Sales	185.6	7,184.3	15.7	-	7,385.6	-	-	7,385.6
Inter-segment sales	1,586.5	-	-	(1,586.5)	-	-	-	-
Total Revenue	1,772.1	7,184.3	15.7	(1,586.5)	7,385.6	-	-	7,385.6
RESULT								
Operating profit	400.9	445.2	2.9	-	849.0	-	-	849.0
Share of results of associates	88.6	82.2	-	-	170.8	-	-	170.8
Share of results of joint ventures	-	(2.9)	-	-	(2.9)	-	-	(2.9)
Segment results before fair value adjustments	489.5	524.5	2.9	-	1,016.9	-	-	1,016.9
Fair value (loss)/gain on:								
Biological assets	(5.6)	-	-	-	(5.6)	-	-	(5.6)
Derivative financial instruments	-	28.9	-	-	28.9	-	-	28.9
Segment results	483.9	553.4	2.9	-	1,040.2	-	-	1,040.2

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

(Incorporated in Malaysia)

IOI GROUP**Interim Report For The Financial Period Ended 30 June 2019**

(The figures have not been audited)

g) Segment Revenue & Results (Continued)

(RM Million)	Plantation	Resource-based Manufacturing	Other Operations	Elimination	Total Continuing Operations	Discontinued Operations	Elimination	Total
12 Months Ended 30/06/18								
REVENUE								
External Sales	257.6	7,147.0	13.0	-	7,417.6	4,692.9	-	12,110.5
Inter-segment sales	2,095.7	-	-	(2,095.7)	-	-	-	-
Inter-operation sales*	-	1,436.0	-	-	1,436.0	240.3	(1,676.3)	-
Total Revenue	2,353.3	8,583.0	13.0	(2,095.7)	8,853.6	4,933.2	(1,676.3)	12,110.5
RESULT								
Operating profit	927.1	352.3	4.6	-	1,284.0	169.8	-	1,453.8
Share of results of associates	106.9	34.0	-	-	140.9	-	-	140.9
Share of results of joint ventures	-	(2.6)	-	-	(2.6)	-	-	(2.6)
Segment results before fair value adjustments	1,034.0	383.7	4.6	-	1,422.3	169.8	-	1,592.1
Fair value (loss)/gain on:								
Biological assets	(23.9)	-	-	-	(23.9)	-	-	(23.9)
Derivative financial instruments	-	0.3	-	-	0.3	25.9	-	26.2
Segment results	1,010.1	384.0	4.6	-	1,398.7	195.7	-	1,594.4

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

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

(Incorporated in Malaysia)

IOI GROUP**Interim Report For The Financial Period Ended 30 June 2019**

(The figures have not been audited)

g) Segment Revenue & Results (Continued)

The reconciliations of the total reportable segment results are as follows:

	12 Months Ended 30/06/2019				12 Months Ended 30/06/2018			
	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
Total segment results	1,040.2	-	-	1,040.2	1,398.7	195.7	-	1,594.4
Unallocated corporate net income/(expense)	36.6	-	-	36.6	(18.1)	-	-	(18.1)
Profit before interest and taxation	1,076.8	-	-	1,076.8	1,380.6	195.7	-	1,576.3
Finance costs	(175.5)	-	-	(175.5)	(200.1)	(22.5)	16.8	(205.8)
Interest income	73.4	-	-	73.4	71.9	6.3	(16.8)	61.4
Net foreign currency translation (loss)/gain on foreign currency denominated borrowings	(123.4)	-	-	(123.4)	297.7	-	-	297.7
Net foreign currency translation gain on foreign currency denominated deposits	21.3	-	-	21.3	20.6	-	-	20.6
Profit before taxation	872.6	-	-	872.6	1,570.7	179.5	-	1,750.2
Taxation	(255.0)	-	-	(255.0)	(334.0)	(27.6)	-	(361.6)
	617.6	-	-	617.6	1,236.7	151.9	-	1,388.6
Gain on disposal of discontinued operations	-	-	-	-	-	1,154.8	-	1,154.8
Gain on re-measurement of share of associate	-	-	-	-	-	342.1	-	342.1
Recognition of fair value of put-call options	-	-	-	-	-	182.8	-	182.8
Profit for the period	617.6	-	-	617.6	1,236.7	1,831.6	-	3,068.3

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

There were no material changes in segment assets and segment liabilities from the amount disclosed in the last audited annual financial statements.



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

h) Material Events Subsequent to the End of Financial Period

There were no material events subsequent to 30 June 2019 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 2019.

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 2019

(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 FY2019 vs. Q4 FY2018

For Q4 FY2019, the Group reported a profit before taxation (“PBT”) of RM73.0 million as compared to RM67.0 million reported for Q4 FY2018. The higher PBT is due mainly to lower net foreign currency translation loss on foreign currency denominated borrowings and deposits. Excluding the total net foreign currency translation loss of RM75.4 million (Q4 FY2018 – RM108.3 million) on foreign currency denominated borrowings and deposits as well as fair value loss on derivative financial instruments from the resource-based manufacturing segment of RM31.7 million (Q4 FY2018 – RM37.1 million), the underlying PBT of RM180.1 million for Q4 FY2019 is 15% lower than the underlying PBT of RM212.4 million for Q4 FY2018, due mainly to lower contribution from plantation segment.

Plantation

The plantation segment profit for Q4 FY2019 of RM84.5 million is 33% lower than the profit for Q4 FY2018 of RM125.3 million. The lower profit reported is due mainly to lower CPO and PK prices realised. Average CPO and PK prices realised for Q4 FY2019 were RM1,988/MT (Q4 FY2018 – RM2,409/MT) and RM1,127/MT (Q4 FY2018 – RM1,803/MT) respectively.

Resource-based Manufacturing

The resource-based manufacturing segment profit for Q4 FY2019 of RM88.3 million is higher than the profit for Q4 FY2018 of RM85.0 million. Excluding the fair value loss on derivative financial instruments, the underlying profit for resource-based manufacturing segment reported a profit of RM120.0 million for Q4 FY2019 as compared to the underlying profit of RM122.1 million for Q4 FY2018. The lower profit is due mainly to lower share of associate results from Bunge Loders Croklaan Group B.V. (“Loders”), mitigated by higher sales volume and margins from refining sub-segment.



Interim Report For The Financial Period Ended 30 June 2019

(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)**

a) **Q4 FY2019 vs. Q4 FY2018 (Continued)**

The analysis of contribution by segment is as follow:

	CURRENT YEAR QUARTER RM Million	PRECEDING YEAR CORRESPONDING QUARTER RM Million	DIFFERENCE RM Million
Plantation before fair value adjustments	88.9	135.4	(46.5)
Fair value loss on biological assets	(4.5)	(10.1)	5.6
Fair value gain on derivative financial instruments	0.1	-	0.1
Plantation	84.5	125.3	(40.8)
Resource-based manufacturing before fair value loss on derivative financial instruments	120.0	122.1	(2.1)
Fair value loss on derivative financial instruments	(31.7)	(37.1)	5.4
Resource-based manufacturing	88.3	85.0	3.3
Other operations	1.7	0.7	1.0
Segment results	174.5	211.0	(36.5)
Unallocated corporate net expenses	(3.5)	(12.8)	9.3
Profit before interest and taxation	171.0	198.2	(27.2)
Finance costs	(38.8)	(46.6)	7.8
Interest income	16.2	23.7	(7.5)
Net foreign currency translation loss on foreign currency denominated borrowings	(82.3)	(169.2)	86.9
Net foreign currency translation gain on foreign currency denominated deposits	6.9	60.9	(54.0)
Profit before taxation	73.0	67.0	6.0



Interim Report For The Financial Period Ended 30 June 2019

(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) **Q4 YTD FY2019 vs. Q4 YTD FY2018**

For Q4 YTD FY2019, the Group reported a PBT of RM872.6 million as compared to RM1,570.7 million reported for Q4 YTD FY2018. The lower PBT is due mainly to lower operating profit and total net foreign currency translation loss on foreign currency denominated borrowings and deposits. Excluding the total net foreign currency translation loss of RM102.1 million (Q4 YTD FY2018 – gain of RM318.3 million) on foreign currency denominated borrowings and deposits as well as fair value gain on derivative financial instruments from the resource-based manufacturing segment of RM28.9 million (Q4 YTD FY2018 – RM0.3 million), the underlying PBT of RM945.8 million for Q4 YTD FY2019 is 24% lower than the underlying PBT of RM1,252.1 million for Q4 YTD FY2018, due mainly to lower contribution from the plantation segment, mitigated by higher contribution from the resource-based manufacturing segment.

Plantation

The plantation segment profit for Q4 YTD FY2019 of RM483.9 million is 52% lower than the profit for Q4 YTD FY2018 of RM1,010.1 million. The lower profit reported is due mainly to lower CPO and PK prices realised as well as lower FFB production. Average CPO and PK prices realised for Q4 YTD FY2019 were RM2,025/MT (Q4 YTD FY2018 – RM2,549/MT) and RM1,390/MT (Q4 YTD FY2018 – RM 2,252/MT) respectively. FFB production for Q4 YTD FY2019 was 3,398,847MT as compared to 3,514,857MT for Q4 YTD FY2018.

Resource-based Manufacturing

The resource-based manufacturing segment profit for Q4 YTD FY2019 of RM553.4 million is higher than the profit for Q4 YTD FY2018 of RM384.0 million. Excluding the fair value gain on derivative financial instruments, the underlying profit for resource-based manufacturing segment of RM524.5 million for Q4 YTD FY2019 is 37% higher than the underlying profit of RM383.7 million for Q4 YTD FY2018. The higher profit is due mainly to higher contribution from all sub-segments and higher share of associate results from Loders (taken up as discontinued operations in Q4 YTD FY2018 prior to the completion of divestment of Loders).

At the net profit level, the Group reported a net profit of RM617.6 million for Q4 YTD FY2019 as compared to RM3,068.3 million for Q4 YTD FY2018. The lower net profit is due mainly to lower PBT as explained above as well as no material disposal gain recorded in Q4 YTD FY2019. In Q4 YTD FY2018, the Group recognised a disposal gain of RM1,679.7 million arising from the divestment of 70% equity interest in Loders.

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 2019 and the date of this announcement.



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

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

The Group reported a PBT of RM73.0 million for Q4 FY2019 as compared to PBT of RM365.4 million for Q3 FY2019. Excluding the total net foreign currency translation loss of RM75.4 million (Q3 FY2019 – gain of RM57.2 million) on foreign currency denominated borrowings and deposits as well as fair value loss on derivative financial instruments from the resource-based manufacturing segment of RM31.7 million (Q3 FY2019 – gain of RM22.6 million), the underlying PBT of RM180.1 million for Q4 FY2019 is lower than the underlying PBT of RM285.6 million for Q3 FY2019, due mainly to lower contribution from all segments.

Details of the segmental results are as follows:

Plantation

The plantation segment profit for Q4 FY2019 of RM84.5 million is 36% lower than the profit for Q3 FY2019 of RM132.6 million. The lower profit reported is due mainly to lower FFB production. FFB production for Q4 FY2019 was 804,736MT as compared to 897,636MT for Q3 FY2019.

Resource-based Manufacturing

The resource-based manufacturing segment reported a profit of RM88.3 million for Q4 FY2019 as compared to RM196.6 million for Q3 FY2019. Excluding the fair value loss/gain on derivative financial instruments, the underlying profit for resource-based manufacturing segment for Q4 FY2019 of RM120.0 million is 31% lower than the underlying profit for Q3 FY2019 of RM174.0 million due mainly to lower margins from refining sub-segment.



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

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

The analysis of contribution by segment is as follows:

	CURRENT QUARTER RM Million	PRECEDING QUARTER RM Million	DIFFERENCE RM Million
Plantation before fair value adjustments	88.9	132.7	(43.8)
Fair value (loss)/gain on biological assets	(4.5)	0.3	(4.8)
Fair value gain/(loss) on derivative financial instruments	0.1	(0.4)	0.5
Plantation	84.5	132.6	(48.1)
Resource-based manufacturing before fair value (loss)/gain on derivative financial instruments	120.0	174.0	(54.0)
Fair value (loss)/gain on derivative financial instruments	(31.7)	22.6	(54.3)
Resource-based manufacturing	88.3	196.6	(108.3)
Other operations	1.7	(1.9)	3.6
Segment results	174.5	327.3	(152.8)
Unallocated corporate net (expenses)/income	(3.5)	9.6	(13.1)
Profit before interest and taxation	171.0	336.9	(165.9)
Finance costs	(38.8)	(46.2)	7.4
Interest income	16.2	17.5	(1.3)
Net foreign currency translation (loss)/gain on foreign currency denominated borrowings	(82.3)	67.3	(149.6)
Net foreign currency translation gain/(loss) on foreign currency denominated deposits	6.9	(10.1)	17.0
Profit before taxation	73.0	365.4	(292.4)



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

3) Prospects

The Group anticipates palm oil price to recover gradually in the new financial year 2020 as palm oil stocks decline from record high level in December 2018. The palm oil price will be supported by increased exports to major consuming countries such as India and China, higher demand from the biodiesel industry in Malaysia and Indonesia, and moderate production increase due to the dry weather.

We expect our total FFB production during FY2020 to improve slightly with the higher production from the young Indonesian plantings offsetting the temporary loss from the higher replanting rate in our Sabah plantations. Coupled with the anticipated improvement in crude palm oil price, we expect the plantation segment's performance to improve in the coming financial year.

As for the resource-based manufacturing segment, we foresee the oleochemical sub-segment will continue to perform relatively well due to the moderately low feedstock cost. However, the operating environment will become increasingly challenging due to the global economic slowdown triggered by the worsening US – China trade war.

Our 30%-owned specialty fats associate company, Bunge Loders Croklaan, is anticipated to sustain its performance in FY2020 with higher volume in the confectionary and human nutrition categories, coupled with more commercial synergies materializing from the integration of the company into Bunge's edible oils business.

The US Dollar-Ringgit exchange rate which affects the foreign exchange translation gain/loss arising from our mainly medium to long term USD-denominated borrowings will continue to be volatile in the short term, due to the ongoing escalated US – China trade war and the uncertainties faced by Asian currencies over US Federal Reserve interest rate policy.

Overall, the Group expects its operating performance for FY2020 to be satisfactory.

4) Achievability of Forecast Results

Not applicable.

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

Not applicable.



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

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	RM Million	RM Million
The tax expense comprises the following:				
Current taxation				
- Current year	46.8	75.3	220.7	352.0
- Prior years	(8.1)	0.5	(7.2)	11.3
Deferred taxation				
- Current year	1.1	(19.6)	48.6	(27.3)
- Prior years	(7.6)	(2.0)	(7.1)	(2.0)
	32.2	54.2	255.0	334.0

The effective tax rate of the Group for Q4 FY2019 and Q4 YTD FY2019 are higher than the statutory tax rate due principally to the effect of changes in tax rates on deferred tax and other non-deductible expenses offset against other non-taxable income.

7) Corporate Proposal

- a) There was no corporate proposal announced by the Group but not completed as at 8 August 2019 (being a date not earlier than 7 days from the date of issue of the quarterly report).
- b) On 1 March 2018, the Group completed the disposal of 70% equity interest in Loders Croklaan Group B.V. with a preliminary disposal consideration of USD595.0 million plus EUR303.4 million (total approximately RM3,784.7 million). On 23 October 2018, the Group had received a net adjustment amount of EUR11.5 million (approximately RM55.0 million) upon finalisation of the intermediate disposal consideration in accordance with the terms of the sale and purchase agreement.

The status of utilisation of proceeds raised from the Corporate proposal as at 8 August 2019 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

Purpose	Proposed Utilisation		Actual Utilisation		Intended Timeframe for Utilisation	Deviation	
	(%)	(RM Million)	(RM Million)	(RM Million)		(RM Million)	%
Future investment	25.00	959.9	-	-	Within 24 months	-	-
Dividend to shareholders *	20.00	767.9	722.7	722.7	Within 12 months	45.2	6
Repayment of borrowings	50.00	1,919.9	1,919.9	1,919.9	Within 24 months	-	-
General working capital	4.75	182.4	182.4	182.4	Within 24 months	-	-
Transaction expenses	0.25	9.6	9.6	9.6	Immediate	-	-
Total	100.00	3,839.7	2,834.6	2,834.6		45.2	6

*Actual dividend to be distributed is dependent on the final disposal consideration. As at 8 August 2019, the disposal consideration is still pending the final adjustments in accordance with the terms of the sale and purchase agreement.



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

8) Group Borrowings and Debts Securities

As at 30 June 2019	Long term		Short term		Total borrowings	
	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)
<u>Unsecured</u>						
<u>Denominated in USD</u>						
Notes	598.1	2,478.2	-	-	598.1	2,478.2
Islamic financing facilities	250.0	1,035.5	30.0	124.3	280.0	1,159.8
Trade financing	-	-	44.0	182.4	44.0	182.4
<u>Denominated in JPY</u>						
Term loans	21,000.0	812.0	-	-	21,000.0	812.0
<u>Denominated in EUR</u>						
Islamic financing facilities	25.0	117.8	-	-	25.0	117.8
Trade financing	-	-	17.5	82.4	17.5	82.4
Finance lease obligation	1.8	8.4	-	0.2	1.8	8.6
<u>Denominated in RM</u>						
Trade financing	-	-	-	19.4	-	19.4
Total		4,451.9		408.7		4,860.6

As at 30 June 2018	Long term		Short term		Total borrowings	
	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)
<u>Unsecured</u>						
<u>Denominated in USD</u>						
Notes	597.5	2,416.7	-	-	597.5	2,416.7
Islamic financing facilities	220.0	889.2	159.0	643.1	379.0	1,532.3
Trade financing	-	-	36.6	147.9	36.6	147.9
<u>Denominated in JPY</u>						
Term loans	21,000.0	769.0	-	-	21,000.0	769.0
<u>Denominated in EUR</u>						
Islamic financing facilities	43.0	201.3	-	-	43.0	201.3
Trade financing	-	-	22.1	103.6	22.1	103.6
Finance lease obligation	1.8	8.3	-	0.2	1.8	8.5
Total		4,284.5		894.8		5,179.3

Exchange rates applied

USD/RM

JPY100/RM

EUR/RM

As at 30 June 2019

4.1435

3.8664

4.7099

As at 30 June 2018

4.0445

3.6617

4.6801



Interim Report For The Financial Period Ended 30 June 2019

(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 2019 are as follows:

	Contract/Notional Value (Million) Net (short)/long				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	(327.9)	-	-	(327.9)	2.5	-	-	2.5
EUR/RM	EUR	(54.9)	-	-	(54.9)	0.2	-	-	0.2
JPY/RM	JPY	(589.3)	-	-	(589.3)	(0.4)	-	-	(0.4)
GBP/RM	GBP	(0.6)	-	-	(0.6)	-	-	-	-
SGD/RM	SGD	0.2	-	-	0.2	-	-	-	-
RMB/RM	RMB	(1.4)	-	-	(1.4)	-	-	-	-
						2.3	-	-	2.3

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.

b) The outstanding commodity contracts as at 30 June 2019 are as follows:

	Contract/Notional Value (Million) Net (short)/long				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									
	USD	(109.7)	-	-	(109.7)	36.9	-	-	36.9
	RM	83.5	-	-	83.5	1.3	-	-	1.3
						38.2	-	-	38.2
Futures	RM	114.3	-	-	114.3	(2.0)	-	-	(2.0)
						(2.0)	-	-	(2.0)

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.



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

9) Derivative Financial Instruments (Continued)

c) The outstanding cross currency swap contracts as at 30 June 2019 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	-	-	110.1	110.1
JPY liability to USD liability ²	JPY	-	-	6,000.0	6,000.0	-	-	44.2	44.2
Fixed rate USD liability to fixed rate EUR liability ³	USD	-	100.0	-	100.0	-	(21.0)	-	(21.0)
Floating rate USD liability to fixed rate EUR liability ⁴	USD	-	100.0	-	100.0	-	(8.1)	-	(8.1)

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 part of the Group's USD600 million 4.375% Guaranteed Notes due 2022 into fixed rate EUR liability and serve as a net investments hedge against the Group's Euro denominated assets.

⁴ The contracts effectively swapped part of the Group's USD110 million floating rate Foreign Currency Revolving Credit Facility-i (FCRC-i) into fixed rate EUR liability and serve as a net investments hedge against the Group's Euro denominated assets.

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

d) The outstanding interest rate swap contracts as at 30 June 2019 are as follows:

	Contract/Notional Value (Million)				Fair Value – 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	-	110.0	-	110.0	-	(1.2)	-	(1.2)

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.



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

9) Derivative Financial Instruments (Continued)

e) Put and call options contract

Following the disposal of 70% in Loders Croklaan Group B.V. (“Loders”), the Company has on 1 March 2018 entered into a shareholders’ agreement (“SHA”) with Loders and Koninklijke Bunge B.V. (“Bunge”). Under the SHA, for a period of 5 years from 1 March 2018 (“Option Period”), the Company shall have the right to require Bunge to purchase all, but not less than all, of the Company’s equity interest in Loders (“Put Option”) for a purchase price calculated in accordance with the SHA (“Put Price”). During the Option Period, Bunge shall have the right to require the Company to sell all, but not less than all, of the Company’s equity interest in Loders (“Call Option”) for a purchase price equals to 25% above such Put Price.

The outstanding put and call options as at 30 June 2019 are as follows:

	Contract/Notional Value (Million)	Fair Value – assets/(liabilities) (RM Million)
Put Option	USD255.0 million plus EUR128.0 million (“Put Price”) ¹	346.4
Call Option	125% of Put Price	(126.7)
		219.7

¹ The Put Price is subject to adjustments in accordance with the terms of SHA.

All the above derivatives were initially recognised at fair value on the date the derivative contracts were entered into. The derivatives were subsequently remeasured at fair value and the changes in fair value were recognised as follows:

- i. Derivatives recognised in the other comprehensive income pursuant to hedge accounting
 - Cross currency swap contract which swapped a fixed rate USD100.0 million liability to a fixed rate EUR90.9 million liability; and
 - Cross currency swap contract which swapped a floating rate USD100.0 million liability to a fixed rate EUR90.1 million liability.
- ii. Derivatives recognised in the profit or loss
 - All other derivatives other than those mentioned in (i) above.



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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 (loss)/gain		Basis of Fair Value Measurement	Reason for (loss)/gain
	Current Quarter	Current Year To Date		
	RMMillion	RMMillion		
Forward foreign exchange contracts	(2.5)	18.9	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	1.8	0.4	The difference between the contracted prices rate and forward prices	The prices for the respective commodity futures have moved favourably for the Group from the last measurement date
Commodity forward contracts	(1.6)	(3.2)	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
Cross currency swap contracts	(12.8)	24.5	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/favourably for the Group from the last measurement date
Interest rate swap contracts	(1.2)	(1.2)	The difference between fixed and floating interest rates	The floating interest rate has moved unfavourably against the Group from the last measurement date
Call option	(6.2)	47.7	The difference between strike prices and underlying prices	The prices for the call option have moved unfavourably against/favourably for the Group from the last measurement date



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

11) Notes to the Condensed Consolidated Statement of Comprehensive Income

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

	CURRENT YEAR QUARTER 30/06/19 RM Million	CURRENT YEAR TO DATE 30/06/19 RM Million
Continuing operations		
Interest income	(16.2)	(73.4)
Other income including investment income		
- Dividend income	(0.4)	(2.8)
Finance costs	38.8	175.5
Depreciation and amortisation	92.4	375.0
Net receivables written back	-	(4.8)
Net inventories written down	6.2	5.8
Net foreign currency translation loss on foreign currency denominated borrowings	82.3	123.4
Net foreign currency translation gain on foreign currency denominated deposits	(6.9)	(21.3)
Foreign currency exchange loss	2.5	26.9
Fair value loss/(gain) on derivatives	31.6	(28.9)
Fair value gain on put and call options	(7.1)	(43.7)
Net loss arising from changes in fair value of biological assets	4.5	5.6

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.

12) 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 2018.



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

13) Dividend

The Board had on 20 February 2019 declared an interim single tier dividend of 3.5 sen per ordinary share in respect of the financial year ending 30 June 2019. The dividend was paid on 22 March 2019.

The Board has on 15 August 2019 proposed a final single tier dividend of 4.5 sen (30 June 2018: 4.5 sen) per ordinary share in respect of the financial year ended 30 June 2019 to be approved at the forthcoming Annual General Meeting. The final dividend is not taxable in the hands of the shareholders pursuant to paragraph 12B of Schedule 6 of the Income Tax Act 1967.

The total cash dividend declared/proposed to date for the current financial year is a single tier dividend of 8.0 sen (30 June 2018: 20.5 sen) per ordinary share. Total dividend paid for the previous financial year was inclusive of a special single tier dividend of 11.5 sen per share.

14) Earnings per Share

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT 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	46.6	17.1	631.7	1,228.9
From discontinued operations	-	18.7	-	1,831.6
	46.6	35.8	631.7	3,060.5
Weighted average number of ordinary shares in issue (Million)	6,284.6	6,284.3	6,284.5	6,284.0
Basic (sen)				
From continuing operations	0.74	0.27	10.05	19.56
From discontinued operations	-	0.30	-	29.14
Total	0.74	0.57	10.05	48.70



IOI GROUP

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

Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

14) Earnings per Share (Continued)

	INDIVIDUAL QUARTER (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				
Profit for the period attributable to owners of the parent				
From continuing operations	46.6	17.1	631.7	1,228.9
From discontinued operations	-	18.7	-	1,831.6
	46.6	35.8	631.7	3,060.5
Adjusted weighted average number of ordinary shares in issue (Million)				
Weighted average number of ordinary shares in issue	6,284.6	6,284.3	6,284.5	6,284.0
Assumed exercise of Executive Share Options at beginning of period	-	1.1	0.1	0.7
	6,284.6	6,285.4	6,284.6	6,284.7
Diluted (sen)				
From continuing operations	0.74	0.27	10.05	19.56
From discontinued operations	-	0.30	-	29.14
Total	0.74	0.57	10.05	48.70

15) Audit Qualification

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

By Order of the Board

Tan Choong Kiang
Company Secretary

Putrajaya
15 August 2019



Interim Report For The Financial Period Ended 30 June 2019

(The figures have not been audited)

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

Group Plantation Statistics

		As At 30/06/2019	As At 30/06/2018
Planted Area			
Oil palm			
Mature	<i>(hectares)</i>	147,995	154,613
Total planted	<i>(hectares)</i>	176,156	174,234
Rubber			
Mature	<i>(hectares)</i>	415	415
Total planted	<i>(hectares)</i>	475	475
Total Titled Area	<i>(hectares)</i>	217,937	217,919

		30/06/2019 (12 months)	30/06/2018 (12 months)
Average Mature Area Harvested			
Oil Palm	<i>(hectares)</i>	147,770	148,934
Production			
Oil Palm			
FFB production	<i>(tonnes)</i>	3,398,847	3,514,857
Yield per mature hectare	<i>(tonnes)</i>	23.00	23.60
FFB processed	<i>(tonnes)</i>	3,528,851	3,625,740
Crude palm oil production	<i>(tonnes)</i>	756,596	757,949
Palm kernel production	<i>(tonnes)</i>	166,716	175,937
Crude palm oil extraction rate	<i>(%)</i>	21.44%	20.90%
Palm kernel extraction rate	<i>(%)</i>	4.72%	4.85%
Average Selling Price Realised			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	2,025	2,549
Palm kernel	<i>(RM/tonne)</i>	1,390	2,252