



## IJM PLANTATIONS BERHAD (133399-A)

### Part A1 : Quarterly Report

**Quarterly report for the financial period ended:** 31/12/2013  
**Quarter:** 3<sup>rd</sup> Qtr  
**Financial Year End:** 31/03/2014  
**The figures:** Have not been Audited

**Full Quarterly Report:** Refer attached

### Part A2 : Summary of Key Financial Information for the financial period 31/12/2013

	Individual Quarter		Cumulative Quarter	
	Current year quarter 31/12/2013 RM'000	Preceding year quarter 31/12/2012 RM'000	Current year to date 31/12/2013 RM'000	Preceding year to date 31/12/2012 RM'000
1 Revenue	175,317	110,041	458,965	351,161
2 Profit before taxation	31,196	45,225	30,267	127,153
3 Profit for the period	28,371	34,044	24,517	96,577
4 Profit attributable to owners of the Company	30,517	34,405	36,235	97,372
5 Basic earnings per share (sen)	3.81	4.29	4.52	12.15
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	<b>As at end of current quarter 31/12/2013</b>		<b>As at preceding financial year end</b>	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		1.60		1.74

# IJM PLANTATIONS BERHAD (133399-A)

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 DECEMBER		CUMULATIVE 9 MONTHS ENDED 31 DECEMBER	
	2013 RM'000 (unaudited)	2012 RM'000 (unaudited)	2013 RM'000 (unaudited)	2012 RM'000 (unaudited)
Revenue	175,317	110,041	458,965	351,161
Operating expenses	(126,750)	(67,314)	(375,080)	(224,715)
Other income	2,475	2,511	7,136	9,713
Profit from operations	51,042	45,238	91,021	136,159
Finance costs:				
- Interest expenses	(1,512)	(567)	(4,371)	(1,628)
- Net foreign exchange (losses)/gains on borrowings	(18,334)	554	(56,383)	(7,378)
Profit before taxation	31,196	45,225	30,267	127,153
Income tax expense	(2,825)	(11,181)	(5,750)	(30,576)
<b>Net profit for the financial period</b>	28,371	34,044	24,517	96,577
<b>Other comprehensive income/(loss)</b>				
<i>Item that may be subsequently reclassified to profit or loss:</i>				
- Currency translation difference	(18,412)	168	(88,005)	(29,935)
<b>Total comprehensive income/(loss) for the financial period</b>	9,959	34,212	(63,488)	66,642
<b>Net profit/(loss) attributable to:</b>				
- Owners of the Company	30,517	34,405	36,235	97,372
- Non-controlling interests	(2,146)	(361)	(11,718)	(795)
	28,371	34,044	24,517	96,577
<b>Total comprehensive income/(loss) attributable to:</b>				
- Owners of the Company	11,954	34,562	(52,461)	67,652
- Non-controlling interests	(1,995)	(350)	(11,027)	(1,010)
	9,959	34,212	(63,488)	66,642
Earnings per share attributable to owners of the Company (sen):				
(a) Basic:				
- [Note B10]	3.81 sen	4.29 sen	4.52 sen	12.15 sen
(b) Fully diluted:				
- [Note B10]	3.72 sen	4.23 sen	4.43 sen	11.90 sen

# IJM PLANTATIONS BERHAD (133399-A)

## CONDENSED CONSOLIDATED BALANCE SHEET

	<b>31 December 2013 RM'000 (Unaudited)</b>	<b>31 March 2013 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-Current Assets:</b>		
Property, plant and equipment	607,168	714,425
Leasehold land and land use rights	182,733	114,186
Plantation expenditure	804,556	788,362
Deferred tax assets	14,153	3,282
	1,608,610	1,620,255
<b>Current Assets:</b>		
Inventories	91,295	100,631
Trade and other receivables	85,345	70,718
Tax recoverable	16,055	6,661
Deposits, cash and bank balances	312,436	344,237
	505,131	522,247
<b>TOTAL ASSETS</b>	2,113,741	2,142,502
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to owners of the Company</b>		
Share capital	401,097	400,862
Reserves	885,622	992,501
	1,286,719	1,393,363
Non-controlling interests	(7,725)	2,903
<b>Total Equity</b>	1,278,994	1,396,266
<b>Non-Current Liabilities:</b>		
Retirement benefits	1,056	1,246
Borrowings	470,617	466,512
Deferred tax liabilities	153,963	156,919
	625,636	624,677
<b>Current Liabilities:</b>		
Trade and other payables	66,827	74,958
Derivative financial instruments	1,117	-
Current tax liabilities	2,982	251
Borrowings	138,185	46,350
	209,111	121,559
<b>Total Liabilities</b>	834,747	746,236
<b>TOTAL EQUITY AND LIABILITIES</b>	2,113,741	2,142,502
 <b>Net Assets Per Share attributable to owners of the Company (RM)</b>	 <b>1.60</b>	 <b>1.74</b>

## IJM PLANTATIONS BERHAD (133399-A)

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2013

	Attributable to Equity Holders of the Company					Non-controlling interests	Total Equity
	Share Capital	Share Premium	Other Reserves	Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 April 2013</b>	400,862	278,793	39,993	673,715	1,393,363	2,903	1,396,266
Total comprehensive (loss)/income for the financial period	-	-	(88,696)	36,235	(52,461)	(11,027)	(63,488)
Issuance of shares pursuant to exercise of Warrants 2009/2014	235	1,213	(217)	-	1,231	-	1,231
Dividend - Year ended 31 March 2013	-	-	-	(56,121)	(56,121)	-	(56,121)
Issuance of shares to non-controlling interest	-	-	-	-	-	399	399
Relating to changes in tax rate on revaluation reserve	-	-	707	-	707	-	707
<b>At 31 December 2013 (Unaudited)</b>	401,097	280,006	(48,213)	653,829	1,286,719	(7,725)	1,278,994

## IJM PLANTATIONS BERHAD (133399-A)

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2012

	Attributable to Equity Holders of the Company					Non- controlling interests	Total Equity
	Share Capital	Share Premium	Other Reserves	Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 April 2012</b>	400,857	278,766	69,922	634,316	1,383,861	4,227	1,388,088
Total comprehensive (loss)/income for the financial period	-	-	(29,720)	97,372	67,652	(1,010)	66,642
Issuance of shares pursuant to exercise of Warrants 2009/2014	4	23	(4)	-	23	-	23
Dividend - Year ended 31 March 2012	-	-	-	(80,172)	(80,172)	-	(80,172)
Acquisition of a subsidiary	-	-	-	-	-	4	4
<b>At 31 December 2012 (Unaudited)</b>	<b>400,861</b>	<b>278,789</b>	<b>40,198</b>	<b>651,516</b>	<b>1,371,364</b>	<b>3,221</b>	<b>1,374,585</b>

# IJM PLANTATIONS BERHAD (133399-A)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<b>9 MONTHS ENDED 31 DECEMBER 2013 RM'000 (Unaudited)</b>	<b>9 MONTHS ENDED 31 DECEMBER 2012 RM'000 (Unaudited)</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	456,881	345,072
Payments to contractors, suppliers and employees	(328,343)	(319,849)
Interest paid	(4,371)	(1,628)
Income tax paid	(26,542)	(36,828)
<i>Net cash flows from/(used in) operating activities</i>	97,625	(13,233)
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant, equipment, leasehold land and land use rights and plantation expenditure	(101,283)	(172,070)
Finance cost capitalised under plantation expenditure	(3,532)	(1,366)
Proceeds from disposal of property, plant and equipment	8	168
Acquisition of a subsidiary, net of cash and cash equivalents	-	9,926
Interest received	5,992	3,751
<i>Net cash flows used in investing activities</i>	(98,815)	(159,591)
<b>FINANCING ACTIVITIES</b>		
Issuance of ordinary shares pursuant to exercise of warrants	1,231	23
Dividend paid	(56,121)	(80,172)
Drawdown of short term advance facility	63,866	47,505
<i>Net cash flows from/(used in) financing activities</i>	8,976	(32,644)
<b>Net Change in Cash and Cash Equivalents</b>	7,786	(205,468)
<b>Cash &amp; Cash Equivalents at beginning of financial year</b>	342,960	315,530
<b>Foreign Exchange differences on opening balances</b>	(39,587)	(9,275)
<b>Cash &amp; Cash Equivalents at end of financial period</b>	311,159	100,787
<b>Notes:</b>	<b>AS AT 31 DECEMBER 2013 RM'000</b>	<b>AS AT 31 DECEMBER 2012 RM'000</b>
Cash and cash equivalents represents the following:		
Cash and bank balances	16,903	53,732
Deposits with licensed banks	295,533	47,055
	312,436	100,787
Less: Restricted deposit with a licensed bank	(1,277)	-
	311,159	100,787

# IJM PLANTATIONS BERHAD (133399-A)

## A NOTES TO THE QUARTERLY RESULTS

### A1. Basis of Preparation

The unaudited interim financial report has been prepared in accordance with *FRS 134: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad*.

The unaudited interim financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2013 which are available at <http://www.ijm.com>. The explanatory notes attached to the unaudited 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 31 March 2013.

### A2. Changes in Accounting Policies

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 “Agriculture” and/or IC Interpretation 15 “Agreements for Construction of Real Estate”, including their parent, significant investor and venturer (herein called “Transitioning Entities”).

Based on the MASB announcement on 7 August 2013, Transitioning Entities will be allowed to defer the adoption of the new MFRS Framework from the previous adoption date of 1 January 2014 to 1 January 2015. Consequently, the adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Group falls within the scope of Transitioning Entities and accordingly, will adopt the MFRS Framework for the financial year beginning 1 April 2015. For the financial year ending 31 March 2014, the Group will continue to prepare its financial statements using the Financial Reporting Standards framework.

The significant accounting policies applied are consistent with those adopted for the audited financial statements for the year ended 31 March 2013 except for the adoption of the following new standards, amendments to standards and IC interpretations issued by MASB that are mandatory for the Group for the financial year beginning 1 April 2013:

FRS 10	- Consolidated Financial Statements
FRS 11	- Joint Arrangements
FRS 12	- Disclosures of Interests in Other Entities
FRS 13	- Fair Value Measurement
Revised FRS 127	- Separate Financial Statement
Revised FRS 128	- Investments in Associates and Joint Ventures
Amendment to FRS 101	- Presentation of Items of Other Comprehensive Income
Amendment to FRS 119	- Employment Benefits
Amendment to FRS 7	- Financial instrument: Disclosures – Offsetting Assets & Financial Liabilities
Improvements to FRSs (2012)	

The adoption of the above pronouncements does not result in any significant change to the accounting policies and does not have any material impact on the interim financial information of the Group.

## IJM PLANTATIONS BERHAD (133399-A)

### A3. Disclosure of Audit Report Qualification and Status of Matters Raised

The audit report for the financial year ended 31 March 2013 was not subject to any modifications or qualifications.

### A4. Seasonality or Cyclicity of Operations

The Group's performance is affected by the oil palm cropping pattern that normally starts in a trough in the first half of a calendar year before rising to a peak in the second half.

### A5. Unusual Significant Items

Other than the net foreign exchange losses shown in Note B12, there were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size or incidence during the financial year-to-date under review.

### A6. Material Changes in Estimates

There were no major changes in estimates that have had a material effect in the current quarter and financial year-to-date.

### A7. Debt and Equity Securities

There were no cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and financial year-to-date except that the paid-up share capital of the Company was increased by RM235,000 by way of allotment and issuance of 470,000 ordinary shares of RM0.50 each arising from the exercise of the Warrants 2009/2014 of the Company.

### A8. Dividend Paid

Dividend paid during the financial period ended 31 December 2013 is as follows:

In respect of the financial year ended 31 March 2013 as reported in the directors' report of that year:

A single tier interim dividend of 7 sen per share paid on 3 July 2013.

RM'000  
56,121



## IJM PLANTATIONS BERHAD (133399-A)

### A9. Segmental Information

The principal activities of the Group are the cultivation of oil palms and milling of fresh fruit bunches. The operations are geographically located in Malaysia and Indonesia.

	<b>9 months ended 31/12/2013</b>	<b>9 months ended 31/12/2012</b>
	RM'000	RM'000
<b>REVENUE</b>		
Malaysian Operations	363,618	335,806
Indonesian Operations	95,347	15,355
	458,965	351,161

	<b>9 months ended 31/12/2013</b>	<b>9 months ended 31/12/2012</b>
	RM'000	RM'000
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		
Malaysian Operations	73,388	137,277
Indonesian Operations	(43,121)	(9,852)
Others	-	(272)
	30,267	127,153

	<b>As at 31 December 2013</b>	<b>As at 31 March 2013</b>
	RM'000	RM'000
<b>TOTAL ASSETS</b>		
Malaysian Operations	1,022,478	1,049,473
Indonesian Operations	1,061,055	1,083,086
Unallocated assets	30,208	9,943
	2,113,741	2,142,502

### A10. Valuations of Property, Plant and Equipment

There was no revaluation of property, plant and equipment for the current quarter and financial year-to-date.

### A11. Material Subsequent Events

There was no material event subsequent to the end of the current quarter and financial year-to-date that has not been reflected in the unaudited financial statements.

### A12. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year-to-date except that the Company announced on 27 May 2013 the voluntary winding-up of its wholly owned subsidiary IJMP Investments (M) Limited ("IJMPIL") pursuant to Section 137 of the Insolvency Act 2009 of Mauritius. The liquidation of IJMPIL is part of the Group's corporate restructuring exercise and has no material impact on the Group for the financial year-to-date.

## IJM PLANTATIONS BERHAD (133399-A)

### A13. Contingent Liabilities or Contingent Assets

There were no material contingent liabilities or contingent assets since 31 March 2013.

### A14. Capital Commitments

Capital commitments not provided for in the unaudited financial statements as at 31 December 2013 are as follows:

Property, plant, equipment, Leasehold land and land use rights and Plantation expenditure	<b>RM'000</b>
Approved and contracted for	103,043
Approved but not contracted for	324,756
	<u>427,799</u>

Of the RM427.80 million capital commitment, RM392.78 million is in respect of the Indonesian operations. To-date an amount of RM931.32 million has been incurred since the commencement of the development in Indonesia.

### A15. Fair Value of Financial Instruments

The following hierarchies were applied to determine the fair value of all the financial instruments carried at fair value:

- (a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 31 December 2013, the Group measured and recognised the derivative financial instruments for the crude palm oil pricing swap contracts at fair value. It was classified by the level of fair value measurement hierarchy as follows:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
<u>Financial Liabilities</u>				
Derivative financial instruments	-	1,117	-	1,117

## IJM PLANTATIONS BERHAD (133399-A)

### B Bursa Securities Listing Requirements (Part A of Appendix 9B)

*Current quarter under review -- Q3-FY2014*

*Corresponding quarter of the preceding year -- Q3-FY2013*

*Immediate preceding quarter -- Q2-FY2014*

*Current financial year to-date -- Year to-date FY2014*

*Corresponding financial year to-date -- Year to-date FY2013*

#### B1. Review of Performance

The results of the Group are tabulated below:

	<b>Individual Quarter</b>		var % +/-	<b>Cumulative Period</b>		var % +/-
	Current year quarter 31/12/2013 RM'000	Preceding year quarter 31/12/2012 RM'000		Current year to-date 31/12/2013 RM'000	Preceding year to-date 31/12/2012 RM'000	
<b>Revenue:</b>						
-Malaysia	135,937	101,832	+33.5	363,617	335,806	+8.3
-Indonesia	39,380	8,209	>100	95,348	15,355	>100
	175,317	110,041	+59.3	458,965	351,161	+30.7
<b>Profit/(loss) before taxation:</b>						
-Malaysia	42,414	47,400	-10.5	73,388	137,277	-46.5
-Indonesia	(11,218)	(2,175)	>100	(43,121)	(9,852)	>100
-Others	-	-	-	-	(272)	-
	31,196	45,225	-31.0	30,267	127,153	-76.2

#### Individual Quarter -- Q3-FY2014 vs Q3-FY2013

For Q3-FY2014, the Group recorded a 59.3% increase in revenue as compared to Q3-FY2013 due to higher sales volume and commodity prices. However, as the US Dollar strengthened further against the Rupiah, the net foreign exchange losses for the quarter amounted to RM18.3 million. Profit before tax as such was lower than that of Q3-FY2013.

The performance by geographical segments are summarised as follows:

- (a) The Malaysian operations recorded higher revenue during the current quarter as a result of higher sales volume and commodity prices. However, a lower profit before tax was achieved due to the higher plantation upkeep costs and the differences in inventory levels.
- (b) Due to more areas attaining maturity and with the palm oil mill in operation, the Indonesian operations recorded higher revenue. The large newly matured area however incurred full fixed plantation maintenance and overhead costs against the backdrop of start-up crop yields. In addition, the financial performance of the operations was severely affected by the exchange rate movements on US Dollar borrowings.

## IJM PLANTATIONS BERHAD (133399-A)

### B1. Review of Performance (cont'd)

#### Cumulative Period -- Year to-date FY 2014 vs Year to-date FY 2013

In spite of the lower commodity prices, the year to-date revenue of the Group was 30.7% higher than that of the preceding year. The increase was due to higher sales volume. The financial performance was however severely impacted by the unrealised foreign exchange losses, in addition to the start-up yields in the Indonesian operations.

The performance by geographical segments are summarised as follows:

- (a) Although there was a significant decline in the commodity prices in Malaysian operations, revenue was higher due to higher sales volumes. Profit before tax however decreased to RM73.4 million. In addition to the lower commodity prices, the profitability was adversely affected by higher upkeep costs and reduction in closing inventories.
- (b) Whilst the higher revenue recorded in the Indonesian operations was due to a larger area under maturity and the operation of the palm oil mill, the impact of unrealised foreign exchange losses have resulted in a loss.

The relevant details pertaining to the results above are as follows:

	<b>Individual Quarter</b>		var % +/-	<b>Cumulative Period</b>		var % +/-
	Current year quarter 31/12/2013	Preceding year quarter 31/12/2012		Current year to-date 31/12/2013	Preceding year to-date 31/12/2012	
<b>Malaysian Operations</b>						
Own FFB production (mt)	167,495	207,793	-19.4	443,539	476,444	-6.9
CPO production (mt)	52,822	55,255	-4.4	128,506	128,426	+0.1
PKO production (mt)	5,472	5,867	-6.7	12,106	12,982	-6.7
CPO sales (mt)	47,861	41,086	+16.5	133,975	111,472	+20.2
PKO sales (mt)	5,518	1,776	>100	17,237	7,044	>100
CPO price per mt (RM)	2,416	2,277	+6.1	2,312	2,749	-15.9
PKO price per mt (RM)	3,091	2,424	+27.5	2,557	3,141	-18.6
<b>Indonesian Operations</b>						
Own FFB production (mt)	43,277	20,374	>100	94,887	37,719	>100
CPO production (mt)	14,095	-	-	39,617	-	-
PKO production (mt)	998	-	-	1,583	-	-
CPO sales (mt)	12,468	-	-	36,189	-	-
PKO sales (mt)	1,251	-	-	1,251	-	-
CPO price per mt (RM)	2,410	-	-	2,168	-	-
PKO price per mt (RM)	3,402	-	-	3,402	-	-
<b>Closing Exchange Rates</b>						
	<b>As at 31/12/2013</b>			<b>As at 31/12/2012</b>		
RM : Rupiah	1 : 3,704			1 : 3,125		
US Dollar : RM	1 : 3.289			1 : 3.063		
US Dollar : Rupiah	1 : 12,189			1 : 9,670		

## IJM PLANTATIONS BERHAD (133399-A)

### B1. Review of Performance (cont'd)

Contribution to the Sabah state sales tax, windfall profit levy to the Federal Government and statutory payment of cesses to the Malaysian Palm Oil Board (“MPOB”) were as follows:

	Individual Quarter		Cumulative Period	
	Current year quarter 31/12/2013 RM'000	Preceding year quarter 31/12/2012 RM'000	Current year to-date 31/12/2013 RM'000	Preceding year to-date 31/12/2012 RM'000
<b>Malaysian Operations</b>				
Sabah sales tax	8,936	6,670	23,781	22,348
Windfall profit levy	-	-	-	370
MPOB Cess:				
-Palm Oil Price Stabilisation Fund Order 2001	117	123	281	283
MPOB Cess:				
-Research & Development, Licensing, Enforcement and Marketing Cess Order 2002	640	687	1,546	1,556
<b>Total</b>	<b>9,693</b>	<b>7,480</b>	<b>25,608</b>	<b>24,557</b>

### B2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter

The results of the Group are tabulated below:

	Individual Quarter		var % +/-
	Current year quarter 31/12/2013 RM'000	Immediate preceding quarter 30/09/2013 RM'000	
<b>Revenue:</b>			
- Malaysia	135,937	117,556	+15.6
- Indonesia	39,380	31,596	+24.6
	175,317	149,152	+17.5
<b>Profit/(loss) before taxation:</b>			
- Malaysia	42,414	21,161	>100
- Indonesia	(11,218)	(25,019)	-55.2
	31,196	(3,858)	-

## IJM PLANTATIONS BERHAD (133399-A)

### B2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter (cont'd)

Revenue for the Q3-FY2014 was marginally higher than Q2-FY2014, mainly due to higher sales volumes and commodity prices. With the lower level of the unrealised foreign exchange losses, the financial performance improved significantly.

The Malaysian operations recorded higher revenue mainly due to increase in both CPO and PKO sales volumes during the high cropping season. The profit before tax as a result was higher.

In spite of the higher revenue from larger volume of palm produce, the unrealised losses from foreign exchange movements adversely affected the financial performance of the Indonesian operations.

The relevant details pertaining to the results above are as follows:

	<b>Individual Quarter</b>		var % +/-
	Current year quarter 31/12/2013	Immediate preceding quarter 30/09/2013	
<b>Malaysian Operations</b>			
Own FFB production (mt)	167,495	150,633	+11.2
CPO production (mt)	52,822	41,335	+27.8
PKO production (mt)	5,472	3,929	+39.3
CPO sales (mt)	47,861	45,683	+4.8
PKO sales (mt)	5,518	4,783	+15.4
CPO price per mt (RM)	2,416	2,270	+6.4
PKO price per mt (RM)	3,091	2,471	+25.1
<b>Indonesian Operations</b>			
Own FFB production (mt)	43,277	28,950	+49.5
CPO production (mt)	14,095	13,216	+6.7
PKO production (mt)	998	-	-
CPO sales (mt)	12,468	13,316	-6.4
PKO sales (mt)	1,251	-	-
CPO price per mt (RM)	2,410	2,058	+17.1
PKO price per mt (RM)	3,402	-	-
<b>Closing Exchange Rates</b>			
	<b>As at 31/12/2013</b>	<b>As at 30/09/2013</b>	
RM : Rupiah	1 : 3,704	1 : 3,571	
US Dollar : RM	1 : 3.289	1 : 3.259	
US Dollar : Rupiah	1 : 12,189	1 : 11,613	

### B3. Prospects for the Current Financial Year

In the current financial year, the FFB production is expected to be lower in the Malaysian operations due to biological palm stress. Increased production is however expected from the young plantings and the new areas coming into maturity in the Indonesian operations. In view of the prevailing palm produce prices and growing pressure on the cost of production, including the significant increase in young mature areas in the Indonesian operations incurring full fixed plantation maintenance and overhead costs set against start-up crop yields, the Group expects the profitability level for the current financial year to be impacted. The volatility in foreign exchange rates may further affect the financial results of the Group for the current financial year.

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### B4. Variance of Actual Profit from Forecast Profit

Not applicable.

### B5. Income Tax Expense

The taxation of the group for the financial period under review is as follows:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 DECEMBER		CUMULATIVE QUARTER 9 MONTHS ENDED 31 DECEMBER	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Current tax:				
- Malaysian income tax	11,511	10,293	19,879	31,110
Deferred tax:				
- Relating to origination/reversal of temporary differences and over provision in prior year and effect of changes in tax rate	(8,686)	888	(14,129)	(534)
	2,825	11,181	5,750	30,576

Pursuant to the Malaysia 2014 Budget announced on 25 October 2013, the statutory tax rate will be reduced to 24% with effective from year of assessment 2016.

The Group's effective tax rate is lower than the current statutory rate of 25% mainly due to overprovision of deferred tax in the prior year and the lower tax rate of 24% being applied for deferred tax computation on the temporary differences anticipated to reverse in the year of assessment 2016.

### B6. Corporate Proposals

At the close of the quarter, there were no corporate proposals that were pending completion.

### B7. Group Borrowings

Particulars of the Group's borrowings denominated in US Dollars in RM equivalent as at 31 December 2013 are as follows:

	RM'000
<u>Borrowings</u>	
Short term advance facility	115,148
Term loans	493,654
	608,802

The term borrowings are secured by way of corporate guarantees by the Company.

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### B8. Changes in Material Litigation

There was no material litigation since 31 March 2013.

### B9. Dividend Payable

The Directors do not recommend any interim dividend for the current quarter and financial year-to-date.

### B10. Earnings per Share

	<b>INDIVIDUAL QUARTER 3 MONTHS ENDED 31 DECEMBER</b>		<b>CUMULATIVE QUARTER 9 MONTHS ENDED 31 DECEMBER</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b><u>Basic earnings per share</u></b>				
Profit for the period attributable to owners of the Company (RM'000)	30,517	34,405	36,235	97,372
Weighted average number of ordinary shares in issue ('000')	801,812	801,723	801,758	801,720
<b>Basic earnings per share (sen)</b>	<b>3.81</b>	<b>4.29</b>	<b>4.52</b>	<b>12.15</b>
<b><u>Diluted earnings per share</u></b>				
Profit for the period attributable to owners of the Company (RM'000)	30,517	34,405	36,235	97,372
Weighted average number of ordinary shares ('000')	801,812	801,723	801,758	801,720
Effect of dilution:				
-Warrants	18,367	11,690	15,369	16,242
Adjusted weighted average number of ordinary shares in issue and issuable ('000')	820,179	813,413	817,127	817,962
<b>Diluted earnings per share (sen)</b>	<b>3.72</b>	<b>4.23</b>	<b>4.43</b>	<b>11.90</b>

### B11. Disclosure of Realised and Unrealised Retained Profits/(Accumulated Losses)

The following analysis is prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad.



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### B11. Disclosure of Realised and Unrealised Retained Profits/(Accumulated Losses) (cont'd)

	<b>As at 31 December 2013 RM'000</b>	<b>As at 31 March 2013 RM'000</b>
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	959,474	940,601
- Unrealised (Note 1)	(297,703)	(166,228)
	661,771	774,373
Less: Consolidation adjustments (Note 2)	(7,942)	(100,658)
Total Group retained profits	653,829	673,715

Note 1 The unrealised retained profits/(accumulated losses) are mainly deferred tax provisions, and translation gains/losses on monetary items denominated in a currency other than the functional currency.

Note 2 Consolidation adjustments are mainly elimination of pre-acquisition profits or losses, fair value adjustments arising from the business combination and non-controlling interests' share of retained profits or accumulated losses.

### B12. Notes to the Condensed Statement of Comprehensive Income

The following amounts have been debited/(credited) in arriving at profit/(loss) before taxation:

	<b>INDIVIDUAL QUARTER 3 MONTHS ENDED 31 DECEMBER</b>		<b>CUMULATIVE QUARTER 9 MONTHS ENDED 31 DECEMBER</b>	
	<b>2013 RM'000</b>	<b>2012 RM'000</b>	<b>2013 RM'000</b>	<b>2012 RM'000</b>
Interest income	(1,962)	(763)	(5,992)	(3,751)
Net foreign exchange losses	18,302	1,782	54,124	7,768
Other income	(513)	(445)	(1,144)	(1,744)
Fair value loss/(gain) on crude palm oil pricing swap	1,767	(1,303)	1,591	(4,218)
Finance cost	1,512	567	4,371	1,628
Depreciation and amortisation	10,607	8,179	30,673	22,595

The above disclosure was prepared in accordance with the paragraph 16 of Appendix 9B of the Main Listing Requirements ("MLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of MLR are not applicable to the Group.

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### **B13. Fair Value changes of Financial Instruments**

The Group recognised total fair value losses on crude palm oil pricing (“CPO”) swap contracts of approximately RM1,767,000 and RM1,591,000 during the current quarter and financial year to-date respectively. The fair value effect is due to the difference between fixed CPO price as per the swap contracts and the average future CPO price quoted on the Bursa Malaysia Derivative Exchange for the specific contracted period.