



IJM PLANTATIONS BERHAD (133399-A)

Part A1 : Quarterly Report

Quarterly report for the financial year ended: 31/03/2014
Quarter: 4th Qtr
Financial Year End: 31/03/2014
The figures: Audited

Full Quarterly Report: Refer attached

Part A2 : Summary of Key Financial Information for the financial year 31/03/2014

	Individual Quarter		Cumulative Quarter	
	Current year quarter 31/03/2014 RM'000	Preceding year quarter 31/03/2013 RM'000	Current year to date 31/03/2014 RM'000	Preceding year to date 31/03/2013 RM'000
1 Revenue	188,016	135,116	646,981	486,277
2 Profit before taxation	78,816	29,460	109,083	156,613
3 Profit for the period/year	58,574	21,871	83,091	118,448
4 Profit attributable to owners of the Company	52,405	22,199	88,640	119,571
5 Basic earnings per share (sen)	6.53	2.77	11.05	14.91
6 Proposed/Declared dividend per share (sen)	7.0	7.0	7.0	7.0
	As at end of current quarter 31/03/2014		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		1.72		1.74

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE 12 MONTHS ENDED 31 MARCH	
	2014 RM'000	2013 RM'000	2014 RM'000 (Audited)	2013 RM'000 (Audited)
Revenue	188,016	135,116	646,981	486,277
Operating expenses	(159,792)	(109,912)	(534,872)	(342,005)
Other income	33,838	5,480	40,974	15,193
Profit from operations	62,062	30,684	153,083	159,465
Finance costs:				
- Interest expense	(1,256)	(1,224)	(5,627)	(2,852)
- Net foreign exchange gains/(losses) on borrowings	18,010	-	(38,373)	-
Profit before taxation	78,816	29,460	109,083	156,613
Income tax expense	(20,242)	(7,589)	(25,992)	(38,165)
Net profit for the financial period/ year	58,574	21,871	83,091	118,448
Other comprehensive income/(loss)				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
- Currency translation difference	34,533	(394)	(53,472)	(30,329)
- Change in tax rate	1,129	-	1,129	-
- Realisation of exchange differences upon liquidation of subsidiaries	-	200	-	200
Total comprehensive income for the financial period/year	94,236	21,677	30,748	88,319
Net profit/(loss) attributable to:				
- Owners of the Company	52,405	22,199	88,640	119,571
- Non-controlling interests	6,169	(328)	(5,549)	(1,123)
	58,574	21,871	83,091	118,448
Total comprehensive income/(loss) attributable to:				
- Owners of the Company	89,048	21,995	36,587	89,647
- Non-controlling interests	5,188	(318)	(5,839)	(1,328)
	94,236	21,677	30,748	88,319
Earnings per share attributable to owners of the Company (sen):				
(a) Basic:				
- [Note B10]	6.53 sen	2.77 sen	11.05 sen	14.91 sen
(b) Fully diluted:				
- [Note B10]	6.38 sen	2.73 sen	10.84 sen	14.63 sen

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED BALANCE SHEET

	31 March 2014 RM'000 (Audited)	31 March 2013 RM'000 (Audited)
ASSETS		
Non-Current Assets:		
Property, plant and equipment	715,490	714,425
Leasehold land and land use rights	106,278	114,186
Plantation expenditure	869,971	788,362
Deferred tax assets	10,327	3,282
	1,702,066	1,620,255
Current Assets:		
Inventories	79,638	100,631
Trade and other receivables	92,244	70,718
Tax recoverable	7,217	6,661
Derivative financial instrument	627	-
Deposits, cash and bank balances	343,976	344,237
	523,702	522,247
TOTAL ASSETS	2,225,768	2,142,502
EQUITY AND LIABILITIES		
Capital and reserves attributable to owners of the Company		
Share capital	402,200	400,862
Reserves	982,332	992,501
	1,384,532	1,393,363
Non-controlling interests	(2,537)	2,903
Total Equity	1,381,995	1,396,266
Non-Current Liabilities:		
Retirement benefits	1,557	1,246
Borrowings	472,924	466,512
Deferred tax liabilities	161,812	156,919
	636,293	624,677
Current Liabilities:		
Trade and other payables	68,794	74,958
Current tax liabilities	470	251
Borrowings	138,216	46,350
	207,480	121,559
Total Liabilities	843,773	746,236
TOTAL EQUITY AND LIABILITIES	2,225,768	2,142,502
Net Assets Per Share attributable to owners of the Company (RM)	1.72	1.74

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2014

	Attributable to Equity Holders of the Company						Non-controlling interests	Total Equity
	Share Capital	Share Premium	Equity Contribution Reserve	Other Reserves	Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2013	400,862	278,793	-	39,993	673,715	1,393,363	2,903	1,396,266
Total comprehensive income for the financial year	-	-	-	(52,053)	88,640	36,587	(5,839)	30,748
Capital contribution by ultimate holding company	-	-	3,693	-	-	3,693	-	3,693
Issuance of shares pursuant to exercise of Warrants 2009/2014	1,338	6,903	-	(1,231)	-	7,010	-	7,010
Dividend - year ended 31 March 2013	-	-	-	-	(56,121)	(56,121)	-	(56,121)
Issuance of shares to non-controlling interest	-	-	-	-	-	-	399	399
Redemption of convertible cumulative redeemable preferences shares in subsidiaries	-	-	-	200	(200)	-	-	-
At 31 March 2014 (Audited)	402,200	285,696	3,693	(13,091)	706,034	1,384,532	(2,537)	1,381,995

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 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
At 1 April 2012	400,857	278,766	69,922	634,316	1,383,861	4,227	1,388,088
Total comprehensive income for the financial year	-	-	(29,924)	119,571	89,647	(1,328)	88,319
Issuance of shares pursuant to exercise of Warrants 2009/2014	5	27	(5)	-	27	-	27
Dividend - Year ended 31 March 2012	-	-	-	(80,172)	(80,172)	-	(80,172)
Acquisition of a subsidiary	-	-	-	-	-	4	4
At 31 March 2013 (Audited)	400,862	278,793	39,993	673,715	1,393,363	2,903	1,396,266

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 MONTHS ENDED 31 MARCH 2014 RM'000 (Audited)	12 MONTHS ENDED 31 MARCH 2013 RM'000 (Audited)
OPERATING ACTIVITIES		
Receipts from customers	635,698	484,950
Payments to contractors, suppliers and employees	(442,067)	(370,475)
Interest paid	(5,627)	(2,852)
Income tax paid	(27,497)	(44,201)
<i>Net cash flows from operating activities</i>	160,507	67,422
INVESTING ACTIVITIES		
Additions to property, plant, equipment, leasehold land and land use rights and plantation expenditure	(157,261)	(261,619)
Interest paid on investing activities	(4,363)	(2,437)
Proceeds from disposal of property, plant and equipment	60	370
Final/partial proceeds received from disposal of an associate	1,851	1,805
Acquisition of a subsidiary, net of cash and cash equivalents	-	10,004
Placement of restricted deposit	(163)	(1,277)
Interest received	7,942	5,784
<i>Net cash flows used in investing activities</i>	(151,934)	(247,370)
FINANCING ACTIVITIES		
Issuance of ordinary shares pursuant to exercise of warrants	7,010	27
Dividend paid	(56,121)	(80,172)
Drawdown of short term advance facility	63,866	296,798
<i>Net cash flows from financing activities</i>	14,755	216,653
Net Change in Cash and Cash Equivalents	23,328	36,705
Cash & Cash Equivalents at beginning of financial year	342,960	315,530
Foreign Exchange differences	(23,752)	(9,275)
Cash & Cash Equivalents at end of financial year	342,536	342,960
Notes:	AS AT 31 MARCH 2014 RM'000	AS AT 31 MARCH 2013 RM'000
Cash and cash equivalents represent the following:		
Cash and bank balances	36,642	29,338
Deposits with licensed banks	307,334	314,899
	343,976	344,237
Less: Restricted deposit with a licensed bank	(1,440)	(1,277)
	342,536	342,960

IJM PLANTATIONS BERHAD (133399-A)

A NOTES TO THE QUARTERLY RESULTS

A1. Basis of Preparation

The 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 figures for 12 months ended 31 March 2014 have been audited.

The 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 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 years ended 31 March 2014 and 31 March 2013 were not subject to any modifications or qualifications.

A4. Seasonality or Cyclicity of Operations

The Group's performance is affected by the oil palms 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 RM1,337,806 by way of allotment and issuance of 2,675,612 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 year ended 31 March 2014 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 was 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.

	12 months ended 31/03/2014	12 months ended 31/03/2013
	RM'000	RM'000
REVENUE		
Malaysian Operations	517,929	448,049
Indonesian Operations	129,052	38,228
	646,981	486,277

	12 months ended 31/03/2014	12 months ended 31/03/2013
	RM'000	RM'000
PROFIT/(LOSS) BEFORE TAXATION		
Malaysian Operations	114,765	168,728
Indonesian Operations	(5,682)	(11,843)
Others	-	(272)
	109,083	156,613

	As at 31 March 2014	As at 31 March 2013
	RM'000	RM'000
TOTAL ASSETS		
Malaysian Operations	1,075,800	1,049,473
Indonesian Operations	1,132,424	1,083,086
Unallocated assets	17,544	9,943
	2,225,768	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 financial year-to-date that has not been reflected in the audited 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 audited financial statements as at 31 March 2014 are as follows:

Property, plant, equipment, Leasehold land and land use rights and Plantation expenditure	RM'000
Approved and contracted for	97,154
Approved but not contracted for	399,443
	<u>496,597</u>

Of the RM496.597 million capital commitment, RM448.863 million is in respect of the Indonesian operations. To-date an amount of RM975.253 million has been incurred since the commencement of the development in Indonesia.

A15. Fair Value of Financial Instrument

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 March 2014, the Group measured and recognised the derivative financial instrument for the crude palm oil pricing swap contracts at fair value. It was classified by the level of fair value measurement hierarchy as follows:

<u>Financial Assets</u>	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Derivative financial instruments	-	627	-	<u>627</u>

IJM PLANTATIONS BERHAD (133399-A)

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

Current quarter under review -- Q4-FY2014

Corresponding quarter of the preceding year -- Q4-FY2013

Immediate preceding quarter -- Q3-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:

	Individual Quarter		var % +/-	Cumulative Period		var % +/-
	Current year quarter 31/03/2014 RM'000	Preceding year quarter 31/03/2013 RM'000		Current year to-date 31/03/2014 RM'000	Preceding year to-date 31/03/2013 RM'000	
Revenue:						
-Malaysia	154,312	112,243	+37.5	517,929	448,049	+15.6
-Indonesia	33,704	22,873	+47.4	129,052	38,228	>100
	188,016	135,116	+39.2	646,981	486,277	+33.0
Profit/(loss) before taxation:						
-Malaysia	41,377	31,451	+31.6	114,765	168,728	-32.0
-Indonesia	37,439	(1,991)	-	(5,682)	(11,843)	-52.0
-Others	-	-	-	-	(272)	-
	78,816	29,460	>100	109,083	156,613	-30.3

Individual Quarter -- Q4-FY2014 vs Q4-FY2013

For Q4-FY2014, the Group recorded a 39.2% increase in revenue as compared to Q4-FY2013 due to higher sales volume and commodity prices. In addition to lower plantation upkeep costs due to phased activities, profit before tax was higher as a result of the strengthening of the Rupiah against the US Dollar.

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. FFB production was lower due to change in cropping pattern. However, profit before tax was higher due to the higher commodity prices and lower plantation upkeep costs due to phased activities; and
- (b) the Indonesian operations recorded higher revenue due to more areas attaining maturity and with the palm oil mill in full operation. Despite the large newly matured area incurring full fixed plantation maintenance and overhead costs against the backdrop of start-up crop yields, a higher profit before tax was achieved. This was due to the strengthening of the Rupiah against the US Dollar resulting in unrealised exchange gains from the 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

The year to-date revenue of the Group was 33.0% higher than that of the preceding year. The increase was due to higher sales volume. The financial performance was however impacted by the unrealised foreign exchange losses, in addition to the lower CPO prices.

The performance by geographical segments are summarised as follows:

- (a) despite FFB production declining by 8% because of the palm stress factor, higher revenue was recorded in the Malaysian operations due to reduction in closing inventory. The decrease in profit before tax was due to the decline in CPO prices and higher plantation costs; and
- (b) whilst the higher revenue recorded in the Indonesian operations was due to a larger area under maturity and the full year's operation of the palm oil mill, the impact of unfavorable foreign exchange rates resulted in a loss during the financial year.

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

	Individual Quarter			Cumulative Period		
	Current year quarter 31/03/2014	Preceding year quarter 31/03/2013	var % +/-	Current year to-date 31/03/2014	Preceding year to-date 31/03/2013	var % +/-
Malaysian Operations						
Own FFB production (mt)	141,987	160,187	-11.4	585,526	636,631	-8.0
Outside FFB crops (mt)	80,297	36,462	>100	255,366	172,696	+47.9
CPO production (mt)	46,046	39,456	+16.7	174,552	167,882	+4.0
PKO production (mt)	4,744	3,770	+25.8	16,850	16,752	+0.6
CPO sales (mt)	50,762	43,158	+17.6	184,737	154,630	+19.5
PKO sales (mt)	4,805	4,019	+19.6	22,042	11,063	+99.2
CPO price per mt (RM)	2,579	2,286	+12.8	2,385	2,620	-9.0
PKO price per mt (RM)	3,981	2,098	+89.8	2,867	2,762	+3.8
Indonesian Operations						
Own FFB production (mt)	49,387	17,860	>100	144,274	55,579	>100
Outside FFB crops (mt)	14,295	25,914	-44.8	114,625	41,894	>100
CPO production (mt)	11,696	8,455	+38.3	51,313	14,272	>100
PKO production (mt)	796	-	-	2,379	-	-
CPO sales (mt)	12,064	9,310	+29.6	48,253	12,141	>100
PKO sales (mt)	-	-	-	1,251	-	-
CPO price per mt (RM)	2,313	2,101	+10.1	2,204	2,028	+8.7
PKO price per mt (RM)	-	-	-	3,289	-	-
Closing Exchange Rates						
	As at 31/03/2014			As at 31/03/2013		
RM : Rupiah	1 : 3,448			1 : 3,125		
US Dollar : RM	1 : 3.262			1 : 3.090		
US Dollar : Rupiah	1 : 11,404			1 : 9,719		

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 31/03/2014 RM'000	Preceding year quarter 31/03/2013 RM'000	Current year to-date 31/03/2014 RM'000	Preceding year to-date 31/03/2013 RM'000
Malaysian Operations				
Sabah sales tax	10,150	7,337	33,931	29,685
Windfall profit levy	-	-	-	370
MPOB Cess:				
-Palm Oil Price Stabilisation Fund Order 2001	102	86	383	369
MPOB Cess:				
-Research & Development, Licensing, Enforcement and Marketing Cess Order 2002	559	475	2,105	2,031
Total	10,811	7,898	36,419	32,455

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 31/03/2014 RM'000	Immediate preceding quarter 31/12/2013 RM'000	
Revenue:			
- Malaysia	154,312	135,937	+13.5
- Indonesia	33,704	39,380	-14.4
	188,016	175,317	+7.2
Profit/(loss) before taxation:			
- Malaysia	41,377	42,414	-2.4
- Indonesia	37,439	(11,218)	-
	78,816	31,196	>100

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 Q4-FY2014 was higher than Q3-FY2014 mainly due to higher commodity prices. With the strengthening of the Rupiah against the US Dollar resulting in unrealised foreign exchange gains, the financial performance improved significantly.

The Malaysian operations recorded higher revenue mainly due to increase in commodity prices. As a result, the profit before tax was higher.

The Indonesian operations recorded improved financial performance due to the strengthening of the Rupiah against the US Dollar in Q4-FY2014.

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

	Individual Quarter		var %
	Current year quarter 31/03/2014	Immediate preceding quarter 31/12/2013	
Malaysian Operations			
Own FFB production (mt)	141,987	167,495	-15.2
Outside FFB crops (mt)	80,297	85,740	-6.3
CPO production (mt)	46,046	52,822	-12.8
PKO production (mt)	4,744	5,472	-13.3
CPO sales (mt)	50,762	47,861	+6.1
PKO sales (mt)	4,805	5,518	-12.9
CPO price per mt (RM)	2,579	2,416	+6.7
PKO price per mt (RM)	3,981	3,091	+28.8
Indonesian Operations			
Own FFB production (mt)	49,387	43,277	+14.1
Outside FFB crops (mt)	14,295	29,519	-51.6
CPO production (mt)	11,696	14,095	-17.0
PKO production (mt)	796	998	-20.2
CPO sales (mt)	12,064	12,468	-3.2
PKO sales (mt)	-	1,251	-
CPO price per mt (RM)	2,313	2,410	-4.0
PKO price per mt (RM)	-	3,402	-
Closing Exchange Rates			
	As at 31/03/2014	As at 31/12/2013	
RM : Rupiah	1 : 3,448	1 : 3,704	
US Dollar : RM	1 : 3.262	1 : 3.289	
US Dollar : Rupiah	1 : 11,404	1 : 12,189	

B3. Prospects for the Coming Financial Year

Despite growing production cost pressures attributable to 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, and anticipated uncertainties in respect of CPO prices and foreign exchange rates, the Group expects the profitability level for the coming financial year to be satisfactory on the back of higher crop production from the increasing young mature areas in Indonesia and the sustaining of FFB yields from the Malaysian operations.

IJM PLANTATIONS BERHAD (133399-A)

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

B5. Income Tax Expense

The income tax expense of the group for the financial period/year under review is as follows:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE QUARTER 12 MONTHS ENDED 31 MARCH	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Current tax:				
- Malaysian income tax	7,281	7,197	27,160	38,307
Deferred tax:				
- Relating to origination/reversal of temporary differences and effect of changes in tax rate	12,961	392	(1,168)	(142)
	20,242	7,589	25,992	38,165

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

The Group's effective tax rate is lower than the current statutory rate of 25% mainly due to the lower tax rate of 24% being applied for deferred tax computation on the temporary differences anticipated to reverse from the year of assessment 2016 and utilisation of the reinvestment allowances and investment tax allowances during the current financial year.

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 March 2014 are as follows:

	RM'000
<u>Borrowings</u>	
Short term advance facility	138,216
Term loans	472,924
	611,140

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

IJM PLANTATIONS BERHAD (133399-A)

B8. Changes in Material Litigation

There was no material litigation since 31 March 2013.

B9. Dividend Payable

In respect of the financial year ended 31 March 2014, a single tier interim dividend amounting to 7 sen per share (previous corresponding financial year: 7 sen per share) is payable on 1 July 2014 to every member who is entitled to receive the dividend as at 5.00 p.m. on 12 June 2014.

There will be no final dividend for the financial year ended 31 March 2014.

B10. Earnings per Share

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE QUARTER 12 MONTHS ENDED 31 MARCH	
	2014	2013	2014	2013
<u>Basic earnings per share</u>				
Profit for the period attributable to owners of the Company (RM'000)	52,405	22,199	88,640	119,571
Weighted average number of ordinary shares in issue ('000')	802,764	801,724	802,006	801,721
Basic earnings per share (sen)	6.53	2.77	11.05	14.91
<u>Diluted earnings per share</u>				
Profit for the period attributable to owners of the Company (RM'000)	52,405	22,199	88,640	119,571
Weighted average number of ordinary shares ('000')	802,764	801,724	802,006	801,721
Effect of dilution:				
-Warrants	18,030	11,690	16,067	15,853
Adjusted weighted average number of ordinary shares in issue and issuable ('000')	820,794	813,414	818,073	817,574
Diluted earnings per share (sen)	6.38	2.73	10.84	14.63

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.

IJM PLANTATIONS BERHAD (133399-A)

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

	As at 31 March 2014 RM'000	As at 31 March 2013 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	1,012,965	940,601
- Unrealised (Note 1)	(238,976)	(166,228)
	773,989	774,373
Less: Consolidation adjustments (Note 2)	(67,955)	(100,658)
Total Group retained profits	706,034	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 before taxation:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE QUARTER 12 MONTHS ENDED 31 MARCH	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Interest income	(1,950)	(2,033)	(7,942)	(5,784)
Net foreign exchange (gains)/losses	(33,282)	1,241	20,842	9,009
Other income	(2,639)	(706)	(3,783)	(2,450)
Fair value (gain)/loss on crude palm oil pricing swap	(970)	116	621	(4,102)
Interest expense	1,256	1,224	5,627	2,852
Depreciation and amortisation	10,856	9,992	41,529	32,587

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.

IJM PLANTATIONS BERHAD (133399-A)

B13. Fair Value changes of Financial Instrument

The Group recognised the fair value gains of approximately RM970,000 on the crude palm oil (“CPO”) pricing swap contracts during the current quarter and fair value losses of approximately RM621,000 for the financial year to-date. 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.