QUARTERLY REPORT
On consolidated results for the fourth quarter ended 30 June 2012

The Directors are pleased to announce the following:

Unaudited Condensed Consolidated Statement of Profit or Loss
Amounts in RM million

	Note	Quarter ended 30 June 2012	Quarter ended 30 June 2011	% +/(-)	Year ended 30 June 2012	Year ended 30 June 2011	% +/(-)
Continuing operations							
Revenue	A7	**14,122.1**	13,059.0	8.1	**47,602.3**	41,858.8	13.7
Operating expenses		**(13,068.3)**	(11,351.4)		**(43,119.4)**	(37,359.5)	
Other operating income		**407.6**	317.3		**1,330.0**	984.0	
Operating profit	B6	**1,461.4**	2,024.9	(27.8)	**5,812.9**	5,483.3	6.0
Share of results of jointly controlled entities		**36.4**	18.2		**14.2**	34.0	
Share of results of associates		**10.9**	19.7		**100.4**	84.4	
Profit before interest and tax	A7	**1,508.7**	2,062.8	(26.9)	**5,927.5**	5,601.7	5.8
Finance income		**55.5**	47.8		**178.8**	155.3	
Finance costs	B6	**(124.5)**	(66.0)		**(385.5)**	(307.8)	
Profit before tax		**1,439.7**	2,044.6	(29.6)	**5,720.8**	5,449.2	5.0
Tax expense	B7	**(276.9)**	(643.1)		**(1,308.2)**	(1,602.7)	
Profit from continuing operations		**1,162.8**	1,401.5	(17.0)	**4,412.6**	3,846.5	14.7
Discontinued operations							
(Loss)/Profit from discontinued operations (see note)		**–**	(21.5)		**(66.2)**	1.4	
Profit for the period		**1,162.8**	1,380.0	(15.7)	**4,346.4**	3,847.9	13.0
Attributable to owners of:							
- the Company							
- from continuing operations		**1,099.1**	1,334.1	(17.6)	**4,216.4**	3,663.1	15.1
- from discontinued operations		**–**	(21.5)		**(66.2)**	1.4	
		1,099.1	1,312.6	(16.3)	**4,150.2**	3,664.5	13.3
- non-controlling interests		**63.7**	67.4	(5.5)	**196.2**	183.4	7.0
Profit for the period		**1,162.8**	1,380.0	(15.7)	**4,346.4**	3,847.9	13.0
		Sen	**Sen**		**Sen**	**Sen**	
Basic earnings/(loss) per share attributable to owners of the Company	B13						
- from continuing operations		**18.29**	22.20		**70.16**	60.96	
- from discontinued operations		**–**	(0.36)		**(1.10)**	0.02	
		18.29	21.84	(16.3)	**69.06**	60.98	13.3

Note:
The discontinued operations is in relation to the oil and gas activities which were carried out in Pasir Gudang and Teluk Ramunia yards under the Energy & Utilities Division, see Note A11.5 for details.

The unaudited Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the year ended 30 June 2011.

SIME DARBY BERHAD
(Company No: 752404-U)

Unaudited Condensed Consolidated Statement of Comprehensive Income
Amounts in RM million

	Note	Quarter ended 30 June 2012	Quarter ended 30 June 2011	% +/(-)	Year ended 30 June 2012	Year ended 30 June 2011	% +/(-)
Profit for the period		**1,162.8**	1,380.0	(15.7)	**4,346.4**	3,847.9	13.0
Other comprehensive income/(loss)							
Currency translation differences:							
- subsidiaries		**114.0**	237.5		**7.0**	539.3	
- jointly controlled entities		**(4.6)**	7.2		**(6.0)**	7.2	
- associates		**(1.5)**	4.3		**(1.3)**	5.8	
Net changes in fair value of available-for-sale investments		**4.5**	(28.5)		**33.9**	(20.3)	
Net changes in fair value of cash flow hedges		**(110.6)**	43.4		**(161.2)**	(3.5)	
Reclassification adjustments:							
- currency translation differences to profit or loss, upon disposal/liquidation of subsidiaries		**–**	15.9		**(9.5)**	15.9	
- net changes in fair value of available-for-sale investments transferred to profit or loss upon disposal		**(0.1)**	–		**(36.7)**	(5.4)	
- net changes in fair value of cash flow hedges							
- transferred to profit or loss		**(32.8)**	(9.0)		**(4.8)**	1.0	
- transfer to inventories		**–**	5.0		**–**	24.0	
Actuarial (loss)/gains on defined benefit pension plans		**(26.3)**	14.5		**(26.3)**	14.5	
Share of other comprehensive income of:							
- jointly controlled entities		**–**	(5.5)		**–**	0.5	
- associates		**7.2**	1.6		**5.5**	10.7	
Tax expense relating to components of other comprehensive income		**10.8**	(2.4)		**23.4**	(9.8)	
Other comprehensive (loss)/income from continuing operations		**(39.4)**	284.0	(113.9)	**(176.0)**	579.9	(130.4)
Other comprehensive (loss)/income from discontinued operations		**–**	(22.8)		**(4.6)**	74.1	
Total comprehensive income for the period		**1,123.4**	1,641.2	(31.6)	**4,165.8**	4,501.9	(7.5)
Attributable to owners of:							
- the Company							
- from continuing operations		**1,051.8**	1,602.8	(34.4)	**4,040.2**	4,245.2	(4.8)
- from discontinued operations		**–**	(44.3)		**(70.8)**	75.5	
		1,051.8	1,558.5	(32.5)	**3,969.4**	4,320.7	(8.1)
- non-controlling interests		**71.6**	82.7	(13.4)	**196.4**	181.2	8.4
Total comprehensive income for the period		**1,123.4**	1,641.2	(31.6)	**4,165.8**	4,501.9	(7.5)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the year ended 30 June 2011.

SIME DARBY BERHAD
(Company No: 752404-U)

Unaudited Condensed Consolidated Statement of Financial Position
Amounts in RM million

	Note	Unaudited As at 30 June 2012	Audited As at 30 June 2011
Non-current assets			
Property, plant and equipment		**14,026.7**	12,656.1
Biological assets		**2,417.1**	2,429.7
Prepaid lease rentals		**1,104.2**	1,044.1
Investment properties		**309.6**	407.2
Land held for property development		**856.2**	893.7
Jointly controlled entities		**284.1**	295.5
Associates		**1,494.4**	685.8
Available-for-sale investments		**111.8**	125.5
Intangible assets		**871.7**	86.0
Deferred tax assets		**817.4**	632.2
Derivatives		**3.2**	–
Trade and other receivables		**452.7**	375.4
		22,749.1	19,631.2
Current assets			
Inventories		**9,445.1**	7,355.4
Property development costs		**1,921.0**	2,022.5
Trade and other receivables		**6,949.4**	4,930.1
Accrued billings and prepayments		**1,476.4**	2,047.4
Tax recoverable		**460.5**	390.0
Derivatives		**28.6**	175.9
Cash held under Housing Development Accounts		**540.9**	616.4
Bank balances, deposits and cash		**4,564.7**	4,911.3
		25,386.6	22,449.0
Non-current assets held for sale (see note)		**40.2**	786.0
Total assets	A7	**48,175.9**	42,866.2
Equity			
Share capital		**3,004.7**	3,004.7
Reserves		**23,009.5**	21,025.6
Attributable to owners of the Company		**26,014.2**	24,030.3
Non-controlling interests		**875.3**	787.2
Total equity		**26,889.5**	24,817.5
Non-current liabilities			
Long-term borrowings	B9	**3,930.8**	4,007.5
Provisions		**83.6**	69.0
Retirement benefits		**115.0**	93.4
Deferred income		**183.7**	173.5
Deferred tax liabilities		**535.4**	492.2
Derivatives		**52.7**	22.1
		4,901.2	4,857.7
Current liabilities			
Trade and other payables		**9,511.0**	8,572.8
Progress billings and others		**46.9**	74.7
Short-term borrowings	B9	**5,872.6**	3,054.9
Provisions		**360.0**	617.0
Deferred income		**51.2**	77.6
Tax payable		**430.8**	694.5
Derivatives		**112.7**	77.2
		16,385.2	13,168.7
Liabilities associated with assets held for sale (see note)		**–**	22.3
Total liabilities		**21,286.4**	18,048.7
Total equity and liabilities		**48,175.9**	42,866.2

Unaudited Condensed Consolidated Statement of Financial Position (continued)
Amounts in RM million

	Note	Unaudited As at 30 June 2012	Audited As at 30 June 2011
Net assets per share attributable to owners of the Company (RM)		**4.33**	4.00

Note:
Non-current assets held for sale

	Unaudited As at 30 June 2012	Audited As at 30 June 2011
Property, plant and equipment	**8.4**	2.1
Investment properties	**7.0**	20.2
Associates	**24.8**	25.0
Disposal groups	**–**	738.7
	40.2	786.0

Liabilities associated with assets held for sale

Disposal groups	**–**	22.3

The Disposal groups in the prior year were in relation to the proposed sales of the Dunlopillo Group and the Teluk Ramunia and Pasir Gudang fabrication yards which were completed on 10 January 2012 and 31 March 2012 respectively.

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the year ended 30 June 2011.

SIME DARBY BERHAD
(Company No: 752404-U)

Unaudited Condensed Consolidated Statement of Changes in Equity
Amounts in RM million

	Share capital	Share premium	Revaluation reserve	Capital reserve	Legal reserve	Hedging reserve	Available-for-sale reserve	Exchange reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total equity
Year ended 30 June 2012												
At 1 July 2011	**3,004.7**	**100.6**	**67.9**	**6,742.5**	**72.5**	**79.9**	**47.4**	**984.9**	**12,929.9**	**24,030.3**	**787.2**	**24,817.5**
Total comprehensive income for the year	**–**	**–**	**–**	**5.5**	**–**	**(144.7)**	**(2.3)**	**(9.8)**	**4,120.7**	**3,969.4**	**196.4**	**4,165.8**
Transfer between reserves	**–**	**–**	**–**	**0.9**	**2.3**	**–**	**–**	**–**	**(3.2)**	**–**	**–**	**–**
Acquisition of a subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1.0**	**1.0**
Acquisition of non-controlling interest	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(62.4)**	**(62.4)**	**(34.2)**	**(96.6)**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,923.1)**	**(1,923.1)**	**(75.1)**	**(1,998.2)**
At 30 June 2012	**3,004.7**	**100.6**	**67.9**	**6,748.9**	**74.8**	**(64.8)**	**45.1**	**975.1**	**15,061.9**	**26,014.2**	**875.3**	**26,889.5**
Year ended 30 June 2011												
At 1 July 2010	3,004.7	100.6	67.9	6,736.3	65.8	(8.8)	68.4	414.5	9,921.2	20,370.6	680.8	21,051.4
Total comprehensive income for the year	–	–	–	5.8	–	88.7	(21.0)	570.4	3,676.8	4,320.7	181.2	4,501.9
Transfer between reserves	–	–	–	0.4	6.7	–	–	–	(7.1)	–	–	–
Disposal of subsidiaries	–	–	–	–	–	–	–	–	–	–	(7.9)	(7.9)
Deregistration of a subsidiary	–	–	–	–	–	–	–	–	–	–	(0.8)	(0.8)
Dividends paid	–	–	–	–	–	–	–	–	(661.0)	(661.0)	(66.1)	(727.1)
At 30 June 2011	3,004.7	100.6	67.9	6,742.5	72.5	79.9	47.4	984.9	12,929.9	24,030.3	787.2	24,817.5

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the year ended 30 June 2011.

SIME DARBY BERHAD
(Company No: 752404-U)

Unaudited Condensed Consolidated Statement of Cash Flows
Amounts in RM million

	Note	Year ended 30 June 2012	2011
Profit after tax		**4,346.4**	3,847.9
Adjustments for:			
Gain on disposal of subsidiaries, associates and other investments		**(65.2)**	(15.0)
Gain on disposal of properties		**(68.7)**	(108.1)
Share of results of jointly controlled entities and associates		**(114.6)**	(118.4)
Finance income		**(179.2)**	(156.9)
Finance costs		**387.0**	316.2
Depreciation and amortisation		**1,160.5**	1,028.3
Amortisation of prepaid lease rentals		**46.5**	52.7
Tax expense		**1,319.1**	1,661.6
Other non-cash items		**93.6**	244.3
		6,925.4	6,752.6
Changes in working capital:			
Inventories and rental assets		**(2,320.6)**	(2,028.2)
Property development costs		**62.4**	(217.5)
Land held for property development		**(26.2)**	(261.5)
Trade and other receivables and prepayments		**(936.0)**	(1,139.3)
Cash held under Housing Development Accounts		**75.5**	(74.3)
Trade and other payables and provisions		**666.5**	1,428.5
Cash generated from operations		**4,447.0**	4,460.3
Tax paid		**(1,698.5)**	(1,126.9)
Dividends received from jointly controlled entities and associates		**64.2**	44.2
Dividends from available-for-sale investments		**6.4**	15.3
Net cash from operating activities		**2,819.1**	3,392.9
Investing activities			
Finance income received		**186.8**	138.1
Purchase of property, plant and equipment		**(1,865.8)**	(1,657.2)
Purchase of subsidiaries and business	A11.2	**(1,075.5)**	(49.5)
Purchase/subscription of shares in a jointly controlled entity and associates		**(808.7)**	(53.0)
Purchase of investment properties		**(1.3)**	(1.9)
Cost incurred on biological assets		**(70.1)**	(84.3)
Payment for prepaid lease rental		**(17.7)**	(21.5)
Net (cash outflow)/proceeds from sale of subsidiaries	A11.1	**(1.5)**	1.9
Proceeds from sale of associates		**22.2**	9.3
Proceeds from sale of available-for-sale investments		**87.2**	7.4
Proceeds from sale of property, plant and equipment		**123.4**	77.8
Proceeds from sale of investment properties		**59.3**	105.7
Proceeds from sale of prepaid lease rental		**1.1**	0.8
Others		**11.7**	2.2
Net cash used in investing activities		**(3,348.9)**	(1,524.2)
Financing activities			
Capital repayment and distribution by a subsidiary to owners of non-controlling interests		**–**	(0.8)
Finance costs paid		**(372.5)**	(356.5)
Long-term borrowings raised		**1,893.9**	95.5
Repayments of long-term borrowings		**(481.6)**	(251.0)
Revolving credits, trade facilities and other short-term borrowings (net)		**1,143.6**	(235.0)
Dividends paid		**(1,998.2)**	(727.1)
Net cash from/(used in) financing activities		**185.2**	(1,474.9)

SIME DARBY BERHAD
(Company No: 752404-U)

Unaudited Condensed Consolidated Statement of Cash Flows (continued)
Amounts in RM million

	Year ended 30 June	
	2012	**2011**
Net changes in cash and cash equivalents	**(344.6)**	393.8
Foreign exchange differences	**(18.7)**	65.7
Cash and cash equivalents at beginning of the year	**4,900.2**	4,440.7
Cash and cash equivalents at end of the year	**4,536.9**	4,900.2
For the purpose of the statement of cash flows, cash and cash equivalents comprised the following:		
Bank balances, deposits and cash	**4,564.7**	4,911.3
Less:		
Bank overdrafts (Note B9)	**(27.8)**	(11.1)
	4,536.9	4,900.2

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the year ended 30 June 2011.

EXPLANATORY NOTES

This interim financial report is prepared in accordance with the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Financial Reporting Standard (FRS) No. 134 – Interim Financial Reporting and other FRS issued by the Malaysian Accounting Standards Board. The interim financial report is unaudited and should be read in conjunction with the Group's audited annual financial statements for the financial year ended 30 June 2011.

A. EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of Preparation

a) General
The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited annual financial statements for the financial year ended 30 June 2011.

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued the Malaysian Financial Reporting Standards Framework (MFRS Framework). This fully IFRS-compliant framework is applicable for all non-private entities for annual periods beginning on or after 1 January 2012, other than Transitioning Entities (TEs), which may defer adoption by one year in view of potential changes on the horizon which may change current accounting treatments. On 30 June 2012, MASB decided to allow TEs to defer the adoption of the MFRS Framework by another year.

TEs are non-private entities within the scope of MFRS 141 - Agriculture and IC Interpretation 15 - Agreements for the Construction of Real Estate, including their parent, significant investor and venturer.

The Group being a TE, will adopt the MFRS Framework with effect from 1 July 2014.

b) Financial reporting standards under the existing FRS Framework that have yet to be adopted in preparing this interim financial report are given below. These adoptions will not result in any changes to the Group's accounting policies, results and financial position.

(i) Revision and amendments to standards that will be effective for annual periods beginning on or after 1 January 2012:

- **FRS 124 – Related Party Disclosures**
FRS 124 simplifies the definition of related party and provides partial exemption from disclosures for government-related entities instead of full exemption.

- **Amendments to FRS 7 – Financial Instruments: Disclosures**
Amendments to FRS 7 stipulates the disclosure requirements for all transferred financial assets that are not derecognised and also for any continuing involvement in a transferred financial asset.

- **Amendments to FRS 112 – Income Taxes**
Amendments to FRS 112 clarifies that deferred tax on investment property measured using fair value model should be based on the tax rate applicable to taxable amount derived from sale unless the objective is to consume substantially all of the economic benefits embodied in the investment property over time. If the objective is to consume the economic benefits over time, deferred tax should reflect the tax consequences of recovering the carrying amount of the investment property through usage.

A1. Basis of Preparation (continued)

b) Financial reporting standards under the existing FRS Framework that have yet to be adopted in preparing this interim financial report are given below. These adoptions will not result in any changes to the Group's accounting policies, results and financial position. (continued)

(ii) Amendments to standard that will be effective for annual periods beginning on or after 1 July 2012:

- **Amendments to FRS 101 – Presentation of Financial Statements**
  FRS 101 requires items of 'other comprehensive income' including their associated tax to be presented into two groupings which consists of those that would not be reclassified subsequently to profit or loss and those that will be reclassified subsequently to profit or loss when specific conditions are met.

(iii) New, revision and amendments to standards and interpretation that will be effective for annual periods beginning on or after 1 January 2013:

- **FRS 10 – Consolidated Financial Statements**
  FRS 10 replaces IC Interpretation 112 – Consolidation - Special Purpose Entities and the consolidation section in FRS 127 – Consolidated and Separate Financial Statements. It defines and sets out the principle of control to identify whether an investor controls an investee and establishes control as the basis for consolidation.

- **FRS 11 – Joint Arrangements**
  FRS 11 supersedes FRS 131 – Interests in Joint Ventures. It classifies joint arrangements into two types - joint operations and joint ventures by focusing on the rights and obligations of the arrangements. The option to proportionate consolidate joint venture's results and financial position in the venturer's financial statements is no longer allowed.

- **FRS 12 – Disclosure of Interests in Other Entities**
  FRS 12 provides disclosure requirements for all forms of interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. Disclosures include significant judgements and assumptions made in determining the nature of the entity's interest in another entity and the risks associated with those interests.

- **FRS 13 – Fair Value Measurement**
  FRS 13 defines fair value, sets out the measurement framework and stipulates the disclosure requirements. It merely explains how to measure fair value and does not change the measurement objective as established in existing FRSs.

- **FRS 119 – Employee Benefits**
  FRS 119 eliminates the limits of the "corridor approach" where only a portion of the actuarial gains and losses is recognised to profit or loss.

- **FRS 127 – Separate Financial Statements**
  The revised FRS 127 only deals with the accounting and disclosure requirements for investments in subsidiaries, associates and joint ventures in the separate financial statements of the parent.

A1. Basis of Preparation (continued)

b) Financial reporting standards under the existing FRS Framework that have yet to be adopted in preparing this interim financial report are given below. These adoptions will not result in any changes to the Group's accounting policies, results and financial position. (continued)

(iii) New, revision and amendments to standards and interpretation that will be effective for annual periods beginning on or after 1 January 2013: (continued)

- **FRS 128 – Investments in Associates and Joint Ventures**
  The revised FRS 128 prescribes the accounting for investment in associates as well as joint ventures where the equity method of accounting is required in accordance with FRS 11.

- **IC Interpretation 20 – Stripping Costs in the Production Phase of a Surface Mine**
  IC Interpretation 20 addresses the recognition and measurement on cost for removing mine waste materials ('overburden') to gain access to mineral ore deposits which is known as "stripping costs".

- **Amendments to FRS 7 – Financial Instruments: Disclosures**
  Amendments to FRS 7 sets out the additional disclosure requirements on the effects or potential effects including any rights of a netting arrangement of a financial asset and a financial liability.

(iv) Amendments to standard that will be effective for annual periods beginning on or after 1 January 2014:

- **Amendments to FRS 132 – Financial Instruments: Presentation**
  Amendments to FRS 132 offers additional guidance on the criterion and right to offset a financial asset and a financial liability following amendments made to FRS 7 - Financial Instruments: Disclosures.

(v) New and amendments to standards that will be effective for annual periods beginning on or after 1 January 2015:

- **FRS 9 – Financial Instruments**
  FRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial instruments: amortised costs and fair value. All instruments are to be measured at fair value except for debt instruments that qualify for amortised cost accounting.

  It allows an option to present fair value changes in equity instruments in profit or loss or other comprehensive income and it is an irrevocable election on initial recognition.

  Reclassification of financial liability between fair value and amortised cost is prohibited while financial asset can only be reclassified when the entity changes its business model for managing the financial asset. Any difference between the carrying amount and fair value on reclassification is recognised in profit or loss.

- **Amendments to FRS 7 – Financial Instruments: Disclosures**
  Amendments to FRS 7 prescribes the disclosure requirements on the classifications and measurements of financial assets and liabilities in accordance with the requirement of FRS 9 upon initial application.

(vi) Interpretation issued but withdrawn subsequently

- **IC Interpretation 15 – Agreement for the Construction of Real Estate**
  IC Interpretation 15 addresses the accounting for revenue and associated expenses by entities that undertake the construction of real estate. This IC is withdrawn with effect from annual periods beginning on or after 1 January 2012.

A2. Seasonal or Cyclical Factors

The Group's operations are not materially affected by seasonal or cyclical factors except for the production of fresh fruit bunches in the Plantation Division which may be affected by the vagaries of weather and cropping patterns.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no material unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the financial year under review.

A4. Material Changes in Estimates

There were no material changes in the estimates of amounts reported in the prior interim periods of the current financial year or the previous financial years that have a material effect on the results for the current quarter under review.

A5. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial year under review.

A6. Dividends Paid

The final single tier dividend of 22.0 sen per share for the financial year ended 30 June 2011 amounting to RM1,322.1 million was paid on 15 December 2011.

An interim single tier dividend of 10.0 sen per share for the financial year ended 30 June 2012 amounting to RM601.0 million was paid on 11 May 2012.

Amounts in RM million unless otherwise stated

A7. Segment Information

The Group has six reportable segments, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately. Each of the strategic business units are headed by an Executive Vice President and the President and Group Chief Executive Officer reviews the internal management reports on a monthly basis and conducts performance dialogues with the business units on a regular basis.

	Continuing operations										
	Plantation	Property	Industrial	Motors	Energy & Utilities	Health-care	Others	Elimination/ Corporate expense	Total	Dis-continued operations (Note 1)	Total
Year ended 30 June 2012											
Segment revenue:											
External	**14,126.4**	**2,042.9**	**13,168.5**	**16,597.0**	**1,178.7**	**347.8**	**141.0**	**–**	**47,602.3**	**715.3**	**48,317.6**
Inter-segment	**0.8**	**62.0**	**48.7**	**43.7**	**6.9**	**10.5**	**9.6**	**(182.2)**	**–**	**–**	**–**
	14,127.2	**2,104.9**	**13,217.2**	**16,640.7**	**1,185.6**	**358.3**	**150.6**	**(182.2)**	**47,602.3**	**715.3**	**48,317.6**
Segment results:											
Operating profit/(loss)	**3,214.9**	**431.0**	**1,325.7**	**693.7**	**297.2**	**26.1**	**51.0**	**(226.7)**	**5,812.9**	**(54.2)**	**5,758.7**
Share of results of jointly controlled entities and associates	**(11.7)**	**36.2**	**25.7**	**8.4**	**38.2**	**–**	**17.8**	**–**	**114.6**	**–**	**114.6**
Profit/(loss) before interest and tax	**3,203.2**	**467.2**	**1,351.4**	**702.1**	**335.4**	**26.1**	**68.8**	**(226.7)**	**5,927.5**	**(54.2)**	**5,873.3**

Amounts in RM million unless otherwise stated

A7. Segment Information (continued)

	Continuing operations										
	Plantation	**Property**	**Industrial**	**Motors**	**Energy & Utilities**	**Health-care**	**Others**	**Elimination/ Corporate expense**	**Total**	**Dis-continued operations** (Note 1)	**Total**
Year ended 30 June 2011											
Segment revenue:											
External	13,167.9	1,987.2	10,271.1	14,818.0	1,085.4	318.7	210.5	–	41,858.8	1,171.7	43,030.5
Inter-segment	1.5	27.0	52.3	33.0	11.2	8.1	7.6	(140.7)	–	–	–
	13,169.4	2,014.2	10,323.4	14,851.0	1,096.6	326.8	218.1	(140.7)	41,858.8	1,171.7	43,030.5
Segment result:											
Operating profit/(loss)	3,244.1	421.2	1,045.5	622.6	240.5	26.0	(51.2)	(65.4)	5,483.3	67.1	5,550.4
Share of results of jointly controlled entities and associates	36.1	34.8	22.5	10.6	5.2	–	9.2	–	118.4	–	118.4
Profit/(loss) before interest and tax	3,280.2	456.0	1,068.0	633.2	245.7	26.0	(42.0)	(65.4)	5,601.7	67.1	5,668.8

Amounts in RM million unless otherwise stated

A7. Segment Information (continued)

	Continuing operations										
As at 30 June 2012	**Plantation**	**Property (Note 2)**	**Industrial (Note 3)**	**Motors**	**Energy & Utilities**	**Health-care**	**Others**	**Corporate**	**Total**	**Dis-continued operations**	**Total**
Segment assets:											
Operating assets	**15,120.1**	**6,606.1**	**11,187.1**	**6,204.6**	**3,924.7**	**484.1**	**140.7**	**1,411.9**	**45,079.3**	–	**45,079.3**
Jointly controlled entities and associates	**464.0**	**1,189.8**	**113.4**	**64.8**	**(111.2)**	–	**57.7**	–	**1,778.5**	–	**1,778.5**
Non-current assets held for sale	–	**33.5**	–	**3.1**	–	–	**3.6**	–	**40.2**	–	**40.2**
	15,584.1	**7,829.4**	**11,300.5**	**6,272.5**	**3,813.5**	**484.1**	**202.0**	**1,411.9**	**46,898.0**	_	**46,898.0**
Tax assets											**1,277.9**
Total assets											**48,175.9**

Amounts in RM million unless otherwise stated

A7. Segment Information (continued)

	Continuing operations										
	Plantation	**Property**	**Industrial**	**Motors**	**Energy & Utilities**	**Health-care**	**Others**	**Corporate**	**Total**	**Dis-continued operations** (Note 1)	**Total**
As at 30 June 2011											
Segment assets:											
Operating assets	14,729.2	7,124.3	7,593.5	5,473.0	3,127.5	436.4	119.6	1,473.2	40,076.7	–	40,076.7
Jointly controlled entities and associates	488.4	392.8	118.7	66.8	(128.9)	–	43.5	–	981.3	–	981.3
Non-current assets held for sale	–	44.9	1.2	0.9	–	–	98.7	–	145.7	640.3	786.0
	15,217.6	7,562.0	7,713.4	5,540.7	2,998.6	436.4	261.8	1,473.2	41,203.7	640.3	41,844.0
Tax assets											1,022.2
Total assets											42,866.2

Note:

1. The discontinued operations is in relation to the oil and gas activities which were carried out in Pasir Gudang and Teluk Ramunia yards under the Energy & Utilities Division.
2. The increase in jointly controlled entities and associates during the financial year is due to the acquisition of equity interest in Eastern & Oriental Berhad, see Note A11.2(a) for details.
3. The increase in operating assets during the financial year is largely due to the acquisition of the Bucyrus business, see Note A11.2(b) for details.

Amounts in RM million unless otherwise stated

A8. Capital Commitments

Authorised capital expenditure not provided for in the interim financial report are as follows:

	As at 30 June 2012	As at 30 June 2011
Property, plant and equipment		
− contracted	**1,207.2**	691.6
− not contracted	**2,300.5**	2,426.9
	3,507.7	3,118.5
Other capital expenditure		
− contracted	**67.6**	–
− not contracted	**2,403.5**	110.7
	5,978.8	3,229.2

A9. Significant Related Party Transactions

Recurrent related party transactions conducted during the financial year ended 30 June 2012 pursuant to a shareholders' mandate obtained at the last Annual General Meeting of the Company are as follows:

	Year ended 30 June 2012	Year ended 30 June 2011
Purchase of chemicals and fertilisers from Chemical Company of Malaysia Berhad and its subsidiaries (CCM group)*	**131.2**	101.0
Contract for the design and build as well as provision of certain service components by Brunsfield Engineering Sdn Bhd (BESB) for property development projects undertaken by Sime Darby Brunsfield Holding Sdn Bhd and its subsidiaries (SDBH Group)^	**94.5**	–

* The substantial shareholder of the Company, namely Permodalan Nasional Berhad is a substantial shareholder of CCM group.

^ Dato' Dr Ir Gan Thian Leong and Encik Mohamad Hassan Zakaria are substantial shareholders of SDBH and BESB.

Other significant related party transactions are as follows:

	Year ended 30 June 2012	Year ended 30 June 2011
a. Transactions with jointly controlled entities		
Tolling fees and sales to Emery Oleochemicals (M) Sdn Bhd and its related companies	**124.9**	10.3
Sale of land to Sime Darby Brunsfield Darby Hills Sdn Bhd	**17.2**	–
Sales and services to Terberg Tractors Malaysia Sdn Bhd (TTMSB)	**66.0**	58.6
Purchase of terminal tractors from TTMSB	**7.4**	5.5
b. Transactions with associates		
Forwarding services by KN Sime Logistics Sdn Bhd	**1.8**	6.7
Purchase of natural latex from Muang Mai Guthrie Co Ltd	**–**	2.3
Rental of land from Seriemas Development Sdn Bhd	**–**	39.6
Purchase of paint materials from Sime Kansai Paints Sdn Bhd	**2.0**	0.4
Provision of services by Sitech Construction Systems Pty Ltd	**5.7**	–
Sale of land to Tesco Stores (Malaysia) Sdn Bhd	**35.7**	–

Amounts in RM million unless otherwise stated

A9. Significant Related Party Transactions (continued)

Other significant related party transactions are as follows: (continued)

	Year ended 30 June 2012	2011
c. Transactions between subsidiaries and their significant owners of non-controlling interests		
Turnkey works rendered by BESB to SDBH Group	**63.4**	387.4
Sales of goods and provision of services to Gunnebo Holdings APS and its related companies, a shareholder of Chubb Malaysia Sendirian Berhad	**12.9**	10.6
Royalty payment to and procurement of Completely Knocked-Down packs, Completely Built-Up cars, ancillary services and technical assistance fee from Hyundai Motor Company and its related companies, a shareholder of Inokom Corporation Sdn Bhd	**123.1**	100.0
Purchase of used vehicles from Mr Tan Kok Peng, a close family member of a shareholder of Performance Premium Selection Limited	**0.6**	2.7
Purchase of agricultural tractors, engines and parts from Kubota Corporation, a shareholder of Sime Kubota Sdn Bhd	**48.9**	31.7
Procurement of hotel operation management and technical advice from Hotel Equatorial (M) Sdn Bhd group, a shareholder of Syarikat Malacca Straits Inn Sdn Bhd	**2.3**	1.9
Sale of motor vehicle, spare parts and services to Jaseri Automotive Group Sdn Bhd, a shareholder of Sime Darby Auto Performance Sdn Bhd	**1.0**	0.1
Lease of land and building to Guangdong Deda Motor Service Company, a shareholder of Guangdong Deda Bow Ma Motor Services Co Ltd	**1.4**	–
Contract assembly service provided to Bermaz Motor Sdn Bhd and Berjaya Brilliance Auto Sdn Bhd, subsidiaries of Berjaya Corporation Berhad, a shareholder of Inokom Corporation Sdn Bhd	**14.3**	4.0
d. Transactions with firms in which directors of the Company is a partner		
Provision of legal services by Kadir, Andri & Partners, a firm in which Dato' Sreesanthan Eliathamby is a partner	**0.5**	–
Provision of legal services by Azmi & Associates, a firm in which Dato' Azmi Mohd Ali is a partner	**0.1**	–
e. Transactions with directors and their close family members		
Sales of properties and cars	**6.7**	4.3
f. Transactions with key management personnel and their close family members		
Sales of properties and cars	**13.9**	6.1

A10. Material Events Subsequent to the End of the Financial Period

On 7 June 2012, Sime Darby Berhad and S P Setia Berhad had entered into an Exclusivity Agreement with the Joint Administrators and Receivers of the vendors of the real property known as the Battersea Power Station site (“the Property”) to acquire the Property for £400 million (equivalent to approximately RM1,972 million). Following this, on 4 July 2012, Sime Darby Berhad, S P Setia Berhad and Kwasa Global (Jersey) Limited, a wholly-owned company of the Employees Provident Fund Board entered into a Subscription and Shareholders’ Agreement to regulate their participation in the Joint Venture in the agreed proportion of 40%, 40% and 20% respectively.

Battersea Project Holding Company Limited, the Joint Venture Company (“JVCo”), was incorporated in Jersey on 22 June 2012 for the purpose of investing in Battersea Project Land Company Limited (“Project Company”), a company incorporated in Jersey to acquire the Property and any of its subsidiaries or entities established by the JVCo to implement the Project.

The Project Company had on 4 July 2012 entered into a contract with the vendors to acquire the Property from the vendors for a cash consideration of £400 million (equivalent to approximately RM1,972 million). A deposit of £37.5 million has been paid upon the signing of the contract. An amount of £337.5 million is payable by the Project Company 2 months from the contract date or such later date as may be allowed under the contract (“Completion Date”), and a sum of £25 million is payable by the Project Company on the second anniversary of the Completion Date.

Save for the above, there was no material event subsequent to the end of the current quarter under review to 22 August 2012, being a date not earlier than 7 days from the date of issue of this quarterly report.

A11. Effect of Significant Changes in the Composition of the Group

1. Disposals

   Disposals during the financial year ended 30 June 2012 include the following:

   a) On 24 November 2011, Sime Darby Allied Products Berhad (SDAP) completed the disposal of its entire 50% equity interest in KN Sime Logistics Sdn Bhd for a total consideration of RM250,000.

   b) On 20 December 2011, Sime Darby Brunsfield Holding Sdn Bhd completed the disposal of its 100% equity interest in Sime Darby Brunsfield Resources Sdn Bhd for a total consideration of RM1,800.

   c) On 21 December 2011, Sime Darby Brunsfield Holding Sdn Bhd completed the transfer of its 50% equity interest in Sime Darby Brunsfield Darby Hills Sdn Bhd (SDBDH) to Sime Darby Brunsfield Motorworld Sdn Bhd for RM1.00 and the disposal of the remaining 50% equity interest in SDBDH to IOI Properties Bhd for RM1.00.

   d) On 23 December 2011, the Group disposed its 100% equity interest in Weifang Sime Darby Property Co. Ltd., see Note A11.3 for details.

   e) On 27 December 2011, Sime Darby Industrial Sdn Bhd completed the disposal of its 40% equity interest in Caterpillar Financial Services Malaysia Sdn Bhd for a total consideration of RM21.95 million.

   f) On 10 January 2012, SDAP completed the disposal of its 100% equity interest in Dunlopillo Holdings Sdn Bhd (Dunlopillo) for a total provisional consideration of RM70.7 million. An additional RM6.0 million will be payable to SDAP upon the achievement of certain pre-agreed profit targets by Dunlopillo.

Amounts in RM million unless otherwise stated

A11. Effect of Significant Changes in the Composition of the Group (continued)

1. Disposals (continued)

Net cash outflow arising from the disposal of the subsidiaries is analysed as follows:

	Year ended 30 June 2012
Intangible assets	**34.9**
Other non-current assets	**9.7**
Net current assets	**123.9**
Net assets disposed	**168.5**
Discount for deferred payment arrangement	**(1.5)**
Loss on disposal	**(1.2)**
Consideration from disposal of subsidiaries	**165.8**
Less: In exchange for the remaining 40% equity interest in Sime Darby China Oils & Fats Company Limited, see Note A11.3	**(96.6)**
Cash and cash equivalent in subsidiaries disposed	**(44.2)**
Fair value of outstanding deferred payment	**(26.5)**
Net cash outflow from disposal	**(1.5)**

2. Acquisitions

Acquisitions during the financial year ended 30 June 2012 include the following:

a) In September 2011, Sime Darby Nominees Sendirian Berhad acquired 278.1 million ordinary shares of RM1 each and 60.0 million 8% Irredeemable Convertible Secured Loan Stocks of RM0.65 each in Eastern & Oriental Berhad (E&O) representing 30% of the fully diluted equity interest in E&O for RM773.8 million. The principal activities of E&O and its subsidiaries include investment holding, hotel ownership and management, property development, property investment and cafe and restaurant operations.

b) On 14 December 2011, Hastings Deering (Australia) Limited, Societe Caledonienne Des Tracteurs S.A.S (also known as Caltrac SAS) and Hastings Deering (PNG) Limited completed the acquisition of the assets for the Bucyrus distribution business in Sime Darby Group's Caterpillar dealership service territories in Queensland and the Northern Territory of Australia, Papua New Guinea and New Caledonia for a total consideration of US$333 million (approximately RM1.1 billion). Bucyrus products are used for surface mining and underground mining which includes draglines, rope shovels and mining trucks.

c) On 16 May 2012, PT Minamas Gemilang (PTMG) acquired 3,800 ordinary shares of Rp1 million each in PT Indo Sukses Lestari Makmur (PTISLM) representing 95% of the total issued and paid-up shares of PTISLM for a cash consideration of USD4.4 million. PTISLM is principally involved in the forestry business which includes the development of industrial plant forest and rubber tapping. The purchase price will only be released to the sellers upon satisfaction of the conditions subsequent as stipulated in the Sale and Purchase Agreement. On 16 August 2012, PTMG has mutually agreed with the sellers to extend the period of fulfilment of the conditions to 15 October 2012, or any later date as mutually agreed by all parties.

Details of the assets and net cash outflow arising from the acquisitions of subsidiary and business are as follows:

	Book value	Fair value
Property, plant and equipment	**37.5**	**37.5**
Prepaid lease rentals	**–**	**20.0**
Intangible assets	**–**	**770.2**
Non-controlling interests	**(1.0)**	**(1.0)**
Current assets	**256.4**	**256.4**
Net assets acquired	**292.9**	**1,083.1**
Less: Negative goodwill		**(6.5)**
Cash and cash equivalent in subsidiary acquired		**(1.1)**
Net cash outflow on acquisition of business		**1,075.5**

A11. Effect of Significant Changes in the Composition of the Group (continued)

3. Acquisition of non-controlling interest

On 13 December 2011, Sime Darby Hong Kong Nominees Ltd (SDHKN) and several subsidiaries of the Group had entered into an agreement to inter alia acquire the remaining 40% equity interest in Sime Darby China Oils & Fats Company Limited from China Team Investment Limited (CTIL). In exchange, SDHKN will cause 100% of the equity interest in Weifang Sime Darby Property Co. Ltd, which is held by three subsidiaries of the Group to be transferred to Gold Waterway Success Corp, a party nominated by CTIL.

4. Establishment of new companies

Companies established during the financial year ended 30 June 2012 include the following:

a) On 2 August 2011, Weifang Sime Darby Property Management Co. Ltd (WSDPM) was established in the People's Republic of China with a registered share capital of RMB3 million wholly held by Weifang Sime Darby Property Co. Ltd. The principal activity of WSDPM is property management services.

b) On 22 September 2011, Foshan Sime Darby Elco Power Equipment Limited (FSDEPEL) was established in the People's Republic of China with a registered capital of RMB5 million wholly held by The China Engineers (South China) Limited. The principal activities of FSDEPEL will be the wholesale of diesel generators and spare parts, import & export and commission agent, provision of after-sales services, maintenance services and consulting services.

c) On 10 October 2011, Sime Darby Industrial Australia Pty Ltd (SDIAPL) was established in Australia with a paid-up capital of AUD2.00 wholly held by Sime Darby Eastern Investment Private Limited. The principal activity of SDIAPL is investment holding.

d) On 20 October 2011, Sime Darby Plantation Cameroon Ltd (SDPCL) was established in the Republic of Cameroon. The entire registered share capital of SDPCL of 10 million Francs CFA is divided into 1,000 ordinary shares of 10,000 Francs CFA each of which 980 shares are held by Sime Darby Plantation Investment (Cameroon) Sdn Bhd (formerly known as Kumpulan Ladang-Ladang Rajawali Sdn Bhd) and the remaining 20 shares are held equally by Mr. Franki Anthony Dass, Executive Vice President of the Group's Plantation Division and Ms. Renaka Ramachandran, Chief Financial Officer of the Group's Plantation Division, in trust for the Group. The principal activities of SDPCL are the cultivation of oil palm and/or rubber.

e) On 28 December 2011, Chongqing Bow Chuang Motor Sales & Services Co. Ltd (CQBC) was established in the People's Republic of China. The entire registered share capital of CQBC of RMB35 million is held by B.M.W Concessionaires (H.K.) Ltd. The principal activities of CQBC are the provision of technical and marketing consultancy services for motor vehicles, and sales of parts of motor vehicles and motorcycles.

f) On 5 January 2012, Nanjing Sime Darby Motors Sales & Services Company Limited (NSDM) was established in the People's Republic of China. The entire registered share capital of NSDM of RMB5 million is held by Shanghai Sime Darby Motor Commerce Company Limited. The principal activities of NSDM are sales of motor vehicles and provision of technical consultancy services for motor vehicles.

g) On 24 May 2012, PT Aneka Sawit Lestari (PTASL) was incorporated in the Republic of Indonesia. The entire registered share capital of PTASL of Rp3.3 billion divided into 3,300 ordinary shares of Rp1 million each are held by PT Aneka Intipersada (3,135 shares) and PT Ladangrumpun Suburabadi (165 shares). The principal activities of PTASL are to carry on the business of production, marketing and sale of oil palm planting materials in Indonesia.

h) On 11 June 2012, Chengdu Bow Yue Used Cars Centre Company Limited (CBYUCC) was established in the People's Republic of China. The entire registered share capital of CBYUCC of RMB35 million will be held by B.M.W. Concessionaires (H.K.) Limited. The principal activities of CBYUCC will be the sales of used cars and provision of consultancy services for motor vehicles.

Amounts in RM million unless otherwise stated

A11. Effect of Significant Changes in the Composition of the Group (continued)

5. Discontinued operations

On 31 March 2012, Sime Darby Engineering Sdn Bhd completed the disposal of the Teluk Ramunia and Pasir Gudang fabrication yards which were an integral part of the Group's oil and gas business to Petronas Assets Sdn Bhd and Malaysia Marine and Heavy Engineering Sdn Bhd respectively for a total consideration of RM689.4 million.

Net cash inflow arising from the disposal of these assets is analysed as follows:

	Year ended 30 June 2012
Property, plant and equipment	**657.0**
Net current assets	**47.5**
Net assets disposed	**704.5**
Loss on disposal	**(15.1)**
Consideration from disposal of assets	**689.4**
Less : Receivables within 12 months	**(654.9)**
Received to-date	**34.5**

A12. Contingent Liabilities – unsecured

a) Guarantees

In the ordinary course of business, the Group may issue surety bonds and letters of credit, which the Group provides to customers to secure advance payment, performance under contracts or in lieu of retention being withheld on contracts. A liability from the performance guarantees would only arise in the event the Group fails to fulfil its contractual obligations.

The performance guarantees and financial guarantees are as follows:

	As at 22 August 2012	**As at 30 June 2011**
Performance guarantees and advance payment guarantees to customers of:		
- a jointly controlled entity	**2,788.0**	2,788.0
- the Group	**3,839.1**	6,841.5
Guarantees in respect of credit facilities granted to:		
- certain associates and a jointly controlled entity	**37.1**	49.1
- plasma stakeholders	**104.7**	104.2
	6,768.9	9,782.8

In cases where the Group is required to issue a surety bond or letter of credit for the entire contract despite holding partial interest in a venture, the Group will seek counter-indemnity from the other venture partners. As at 22 August 2012, the Group received counter-indemnities amounting to RM1,603.7 million (30 June 2011: RM1,603.7 million).

b) Claims

	As at 22 August 2012	**As at 30 June 2011**
Claims pending against the Group	**43.4**	180.0

The claims include disputed taxes, supply of goods and services and compensation for dispute over land and breach of contracts.

Amounts in RM million unless otherwise stated

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group Performance

	Year ended 30 June		%
	2012	**2011**	**+/(-)**
Revenue	**47,602.3**	41,858.8	13.7
Plantation	**3,203.2**	3,280.2	(2.3)
Property	**467.2**	456.0	2.5
Industrial	**1,351.4**	1,068.0	26.5
Motors	**702.1**	633.2	10.9
Energy & Utilities	**335.4**	245.7	36.5
Healthcare	**26.1**	26.0	0.4
Others	**68.8**	(42.0)	263.8
Segment results	**6,154.2**	5,667.1	8.6
Exchange (loss)/gain:			
Unrealised	**(16.8)**	39.1	
Realised	**(0.3)**	11.7	
Corporate expense and elimination	**(209.6)**	(116.2)	
Profit before interest and tax	**5,927.5**	5,601.7	5.8
Finance income	**178.8**	155.3	
Finance costs	**(385.5)**	(307.8)	
Profit before tax	**5,720.8**	5,449.2	5.0
Tax expense	**(1,308.2)**	(1,602.7)	
Profit from continuing operations	**4,412.6**	3,846.5	14.7
(Loss)/Profit from discontinued operations	**(66.2)**	1.4	
Profit for the year	**4,346.4**	3,847.9	13.0
Non-controlling interests	**(196.2)**	(183.4)	
Profit after tax and non-controlling interests	**4,150.2**	3,664.5	13.3

The Group posted a profit before tax of RM5,720.8 million for the financial year ended 30 June 2012, an increase of 5.0% as compared against the previous year of RM5,449.2 million. Revenue was up by 13.7%. Net earnings for the year rose by 13.3% to RM4,150.2 million from RM3,664.5 million a year ago. All business segments registered improved earnings except Plantation which declined marginally by 2.3%.

a) Plantation

Plantation division's contribution of RM3,203.2 million was slightly down by 2.3% from the previous year largely due to the lower fresh fruit bunches (FFB) production in spite of the higher average crude palm oil (CPO) price realised of RM2,925 per tonne against RM2,906 per tonne in the previous year.

Group FFB production was lower by 3.4% at 9.8 million tonnes (2011: 10.1 million tonnes) as both Malaysia and Indonesia recorded lower production by 1.6% and 6.6% respectively, attributable to the effects of weather and tree stress. Oil extraction rate (OER) was however higher at 21.8% as compared to 21.4% a year ago.

Midstream and downstream results were adversely affected largely due to the loss incurred by an overseas refinery whilst the Malaysian operations was impacted by lower utilisation and tight margins following the latest Indonesia's export tax structure. It reported a loss of RM62.3 million for the current financial year from the loss of RM74.6 million the previous year which included an impairment of RM114.0 million.

B1. Review of Group Performance (continued)

b) Property

Property's earnings improved marginally by 2.5% despite the slower off-take of high margin products and the impairment and write off of development costs totaling RM21.8 million. This was attributable largely to the higher completion of property development works in the various townships including Bandar Bukit Raja and Denai Alam.

c) Industrial

Industrial division reported a sterling profit of RM1,351.4 million, a 26.5% increase from last year of RM1,068.0 million. All regions except for China/Hong Kong, which was affected by the local government policy of tightening credit to address inflation, experienced robust demand especially from the mining, logging and construction sectors in Australasia, Malaysia and Singapore. The newly acquired Bucyrus business contributed a profit of RM57.6 million in its first six months of operations.

d) Motors

Contribution from Motors division continued to grow with a 10.9% improvement over that of the previous year. The improved results was due mainly to the strong demand in Malaysia, Singapore and New Zealand despite the weaker sales from China.

e) Energy & Utilities

Profit from Energy & Utilities increased by 36.5% to RM335.4 million largely due to the recognition of RM99.4 million in deferred revenue from its Malaysian power plant and the higher contribution from port operations in China due to the higher cargo handling throughtput at Weifang Port.

f) Healthcare

The results from Healthcare at RM26.1 million was about the same as last year's level as the impact from higher inpatient and outpatient volume was moderated by the slower nursing education sector and the start-up expenses for the new Ara Damansara hospital.

g) Others

Other businesses achieved a turnaround by registering a profit of RM68.8 million as compared against last year's loss of RM42.0 million. This was a result of the higher contribution from Tesco and the insurance brokerage business including a profit of RM29.7 million from the disposal of an investment as against the impairment of an available for sale investment of RM54.3 million in the previous year.

Amounts in RM million unless otherwise stated

B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter

	Quarter ended		
	30 June 2012	**31 March 2012**	**% +/(-)**
Revenue	**14,122.1**	11,027.3	28.1
Plantation	**807.3**	562.6	43.5
Property	**152.5**	121.3	25.7
Industrial	**365.6**	358.1	2.1
Motors	**240.6**	153.4	56.8
Energy & Utilities	**54.6**	64.0	(14.7)
Healthcare	**8.0**	4.3	86.0
Others	**33.9**	15.5	118.7
Segment results	**1,662.5**	1,279.2	30.0
Exchange gain/(loss):			
Unrealised	**0.6**	2.9	
Realised	**0.2**	(1.0)	
Corporate expense and elimination	**(154.6)**	(15.0)	
Profit before interest and tax	**1,508.7**	1,266.1	19.2
Finance income	**55.5**	34.5	
Finance costs	**(124.5)**	(108.7)	
Profit before tax	**1,439.7**	1,191.9	20.8
Tax expense	**(276.9)**	(260.8)	
Profit from continuing operations	**1,162.8**	931.1	24.9
Loss from discontinued operations	**–**	(2.7)	
Profit for the period	**1,162.8**	928.4	25.2
Non-controlling interests	**(63.7)**	(52.4)	
Profit after tax and non-controlling interests	**1,099.1**	876.0	25.5

For the fourth quarter ended 30 June 2012, the Group's pre-tax profit of RM1,439.7 million was 20.8% higher than that of the preceding quarter of RM1,191.9 million. Net earnings of the Group rose by 25.5% to RM1,099.1 million from RM876.0 million in the preceding quarter. All divisions recorded higher earnings except Energy & Utilities which declined by 14.7%.

a) Plantation

Profit from Plantation was higher by 43.5% to RM807.3 million due particularly to the higher average CPO price realised for the quarter of RM3,056 per tonne as against RM2,903 per tonne in the preceding quarter and the 11.7% jump in FFB production. In addition, the results from midstream and downstream activities improved from a loss of RM28.8 million to a profit of RM3.1 million as a result of the improvement in the performance of the overseas refinery.

b) Property

Property's profit for the current quarter was up by 25.7% due mainly to the higher sales following the favourable response from the Sime Darby Life Style Collection promotion which ran from April 2012 to June 2012 and the larger percentage of property development works completed.

c) Industrial

Profit from Industrial division was marginally higher by 2.1% when compared against the preceding quarter due primarily to the sustained demand for its products in all regions except Australasia.

B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter (continued)

d) Motors

Contribution from Motors for the current quarter surged by 56.8% to RM240.6 million from RM153.4 million in the preceding quarter. The commendable improvement was mainly on account of the strong demand in Malaysia.

e) Energy & Utilities

For the current quarter, the results of Energy & Utilities dropped by 14.7% mainly due to the run-off costs on the on-going projects in the oil and gas operations which was partially offset by higher profits from the Utilities operations in China. The Port operations have recorded higher cargo handling throughput at Weifang Port following the completion of the 3 x 10,000 tonnes berth in December 2011.

e) Healthcare

The results of Healthcare increased 86.0% as compared against the preceding quarter primarily due to the higher number of inpatient and outpatient visits at its medical centre in Subang Jaya and the lower loss at its new hospital in Ara Damansara following its official launch in March 2012.

f) Others

Other businesses recorded a 118.7% improvement in profit from RM15.5 million to RM33.9 million in the quarter under review mainly because of the gain on disposal of an investment of RM29.7 million.

B3. Prospects

The global economic outlook continues to remain subdued following from the prolonged Eurozone sovereign debt crisis and the slow growth of the US economy. The effects have increasingly been felt and have now become more pronounced such that recovery remains fragile and vulnerable to downside risks.

Although the market segments in which the Group operates remain relatively positive, any further deterioration of economic conditions could impact the Group's performance in the coming year. The slowdown in global demand presents several challenges to the Asia Pacific region, where the Group largely operates, particularly in China and Australasia.

Nonetheless, the strength and diversity of the Group's six core businesses places it in a strong position to withstand any potential economic headwinds. While fluctuations in commodity prices may have an impact on their earnings in the short-term, the Plantation and Industrial divisions are expected to remain resilient in the long-term due to robust long-term demand for edible oils and heavy machinery equipment in the mining sector, respectively. Given the sensitivity of consumer demand to the broader economic slowdown, demand for the Property and Motors divisions' products could be affected although this may be moderated by planned new and innovative product launches. The performance of the Energy and Utilities division will be driven by the Ports operations in China, sustained by increased capacity, greater productivity and efficiency as well as added market outreach. In addition, the Healthcare division is expected to generate greater revenue growth following the launch of the new hospital in Ara Damansara and the soon to-be opened hospital in Desa Park City.

The Group is focused on its growth trajectory, which includes expanding the Plantation landbank, up-scaling the value of Property landbank and increasing facilities and capacity for the Industrial, Motors, Utilities and Healthcare Divisions.

Barring any unforeseen circumstances, the Board is of the opinion that the Group's performance for the financial year ending 30 June 2013 is expected to be satisfactory.

B4. Statement by Board of Directors on Internal Targets

The Group's key performance indicators (KPI) for the financial year ended 30 June 2012 as approved by the Board of Directors on 24 November 2011 and the results of the Group for the financial year ended 30 June 2012 are as follows:

	Actual Year ended 30 June 2012	Target Year ended 30 June 2012
Profit attributable to owners of the Company (RM million)	4,150.2	3,300
Return on average shareholders' equity (%)	16.6	13.3

The Group exceeded both its KPI targets for the financial year ended 30 June 2012.

B5. Variance of Actual Profit from Profit Forecast or Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee issued.

B6. Operating Profit and Finance Costs

	Quarter ended 30 June		Year ended 30 June	
	2012	**2011**	**2012**	**2011**
Included in operating profit are:				
Depreciation and amortisation	**(287.8)**	(257.2)	**(1,160.5)**	(1,028.3)
Amortisation of prepaid lease rentals	**(10.9)**	(19.8)	**(46.5)**	(52.7)
Reversal of impairment/(impairment) of				
- property, plant and equipment	**(2.7)**	(73.1)	**(2.0)**	(186.8)
- investment properties	**(1.5)**	(2.2)	**1.7**	(2.2)
- unquoted available-for-sale investments	**–**	(32.8)	**–**	(57.1)
- receivables	**(1.4)**	52.2	**38.1**	(22.6)
Write down of inventories (net)	**(76.8)**	(52.6)	**(80.7)**	(104.2)
(Loss) /Gain on disposal of				
- property, plant and equipment				
- land and buildings	**(4.6)**	23.4	**37.9**	28.7
- others	**0.4**	8.4	**9.6**	6.7
- investment properties	**25.6**	74.1	**30.8**	79.4
- subsidiaries	**1.6**	0.2	**(1.2)**	0.2
- an associate	**–**	–	*****	9.3
- quoted available-for-sale investment	**3.9**	–	**36.7**	5.5
- unquoted available-for-sale investment	**29.7**	–	**29.7**	–
Net foreign exchange gain/(loss)	**30.2**	(79.2)	**49.1**	41.0
Gain/(Loss) on forward foreign exchange contracts	**41.0**	(51.1)	**(11.6)**	19.8
Included in finance costs is:				
Gain on interest rate swap contracts	**8.9**	(0.5)	**34.0**	29.8

* Less than RM0.1 million

Amounts in RM million unless otherwise stated

B7. Tax Expense

	Quarter ended 30 June		Year ended 30 June	
	2012	**2011**	**2012**	**2011**
Continuing operations				
In respect of the current period:				
- current tax	**293.8**	610.8	**1,485.1**	1,554.6
- deferred tax	**88.0**	(5.2)	**(41.5)**	(46.7)
	381.8	605.6	**1,443.6**	1,507.9
In respect of prior years:				
- current tax	**(20.1)**	93.4	**(77.2)**	116.2
- deferred tax	**(84.8)**	(55.9)	**(58.2)**	(21.4)
	276.9	643.1	**1,308.2**	1,602.7
Discontinued operations	**–**	38.5	**10.9**	58.9
	276.9	681.6	**1,319.1**	1,661.6

The effective tax rates for the current quarter and the year ended 30 June 2012 were lower than the Malaysian income tax rate of 25% due mainly to the overprovision in prior years.

B8. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at 22 August 2012, being a date not earlier than 7 days from the date of issue of this quarterly report.

Amounts in RM million unless otherwise stated

B9. Group Borrowings

	As at 30 June 2012		
Long-term borrowings	**Secured**	**Unsecured**	**Total**
Term loans	**110.0**	**2,120.8**	**2,230.8**
Islamic Medium Term Notes	**–**	**1,700.0**	**1,700.0**
	110.0	**3,820.8**	**3,930.8**
Short-term borrowings			
Bank overdrafts	**–**	**27.8**	**27.8**
Portion of term loans due within one year	**–**	**1,751.6**	**1,751.6**
Portion of Islamic Medium Term Notes due within one year	**–**	**300.0**	**300.0**
Revolving credits, trade facilities and other short-term borrowings	**291.6**	**3,501.6**	**3,793.2**
	291.6	**5,581.0**	**5,872.6**
Total borrowings	**401.6**	**9,401.8**	**9,803.4**

The Group borrowings in RM equivalent analysed by currencies in which the borrowings are denominated are as follows:

	Long-term Borrowings	**Short-term Borrowings**	**Total**
Ringgit Malaysia	**2,487.6**	**2,333.7**	**4,821.3**
Australian dollar	**161.5**	**772.5**	**934.0**
Chinese renminbi	**–**	**467.7**	**467.7**
Hong Kong dollar	**–**	**158.4**	**158.4**
New Zealand dollar	**–**	**87.6**	**87.6**
Pacific franc	**6.1**	**0.5**	**6.6**
Thailand baht	**–**	**13.4**	**13.4**
United States dollar	**1,275.6**	**2,038.8**	**3,314.4**
Total borrowings	**3,930.8**	**5,872.6**	**9,803.4**

Certain borrowings are secured by fixed and floating charges over investment property, property development projects and other assets of certain subsidiaries.

Amounts in RM million unless otherwise stated

B10. Financial Instruments and Realised and Unrealised Profits or Losses

a) Derivatives

The Group uses forward foreign exchange contracts, interest rate swap contracts, currency swap contracts and commodity contracts to manage its exposure to various financial risks. The fair values of these derivatives as at 30 June 2012 are as follows:

	Classification in Statement of Financial Position				
	Assets		Liabilities		
	Non-current	Current	Non-current	Current	Net Fair Value
Forward foreign exchange contracts	**3.2**	**26.7**	**(4.3)**	**(92.9)**	**(67.3)**
Interest rate swap contracts	**–**	**–**	**–**	**(19.8)**	**(19.8)**
Cross currency swap contract	**–**	**–**	**(48.4)**	**–**	**(48.4)**
Commodity future contracts	**–**	**1.9**	**–**	**–**	**1.9**
	3.2	**28.6**	**(52.7)**	**(112.7)**	**(133.6)**

There is no change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the last financial year ended 30 June 2011 except for the cross currency swap contract entered into to swap a subsidiary's USD borrowings into AUD, which is its functional currency.

The description, notional amount and maturity profile of each derivative are shown below:

<u>Forward foreign exchange contracts</u>

Forward foreign exchange contracts were entered into by subsidiaries in currencies other than their functional currency in order to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

The forward foreign currency contracts are stated at fair value, using the prevailing market rates. All changes in fair value of the forward foreign currency contracts are recognised in the other comprehensive income statement unless it does not meet the conditions for the application of hedge accounting, in which case, the changes to the fair value of the derivatives are taken to profit or loss.

As at 30 June 2012, the notional amount, fair value and maturity period of the forward foreign exchange contracts are as follows:

	Notional Amount	Fair Value Assets/ (Liabilities)
- less than 1 year	**4,913.9**	**(66.2)**
- 1 year to 2 years	**555.6**	**(1.1)**
	5,469.5	**(67.3)**

Amounts in RM million unless otherwise stated

B10. Financial Instruments and Realised and Unrealised Profits or Losses (continued)

a) Derivatives (continued)

Interest rate swap contracts

The Group has entered into interest rate swap contracts to convert floating rate liabilities to fixed rate liabilities to reduce the Group's exposure from adverse fluctuations in interest rates on underlying debt instruments. The differences between the rates calculated by reference to the agreed notional principal amounts were exchanged at periodic intervals. All changes in fair value during the period are recognised in the other comprehensive income statement unless it does not meet the conditions for the application of hedge accounting, in which case, the changes to the fair value of the derivatives are taken to profit or loss.

The outstanding interest rate swap contracts as at 30 June 2012 are as follows:

Interest Rate Swap	**Notional Amount**	**Expiry Date**	**Weighted Average Swap Rate**
LIBOR Range Accrual	USD 26.2 million	29 August 2012	4.70% - 4.80%
Plain Vanilla	USD 498.8 million	up to 27 December 2012	3.20% - 4.72%

As at 30 June 2012, the notional amount, fair value and maturity period of the interest rate swap contracts are as follows:

	Notional Amount	**Fair Value Liabilities**
- less than 1 year	**1,674.2**	**(19.8)**

Cross currency swap contract

The Group has entered into a cross currency swap contract to exchange the principal payments and future interest costs of a foreign currency denominated loan into another currency to reduce the Group's exposure from adverse fluctuations in foreign currency. All changes in fair value during the period are recognised in the other comprehensive income statement unless it does not meet the conditions for the application of hedge accounting, in which case, the changes to the fair value of the derivatives are taken to profit or loss.

As at 30 June 2012, the notional amount and fair value liability of the cross currency swap contract amounted to RM1,275.6 million and RM48.4 million respectively and the contract has a maturity period of 7 years.

Commodity future contracts

Commodity future contracts were entered into by subsidiaries to manage exposure to adverse movements in vegetable oil prices. These contracts were entered into and continue to be held for the purpose of receipt or delivery of the physical commodity in accordance with the Group's expected purchase, sale and usage requirements, except for those contracts shown below.

Amounts in RM million unless otherwise stated

B10. Financial Instruments and Realised and Unrealised Profits or Losses (continued)

a) Derivatives (continued)

Commodity future contracts (continued)

The outstanding commodity contracts as at 30 June 2012 that are not held for the purpose of physical delivery are as follows:

	Quantity (mt)	Notional Amount	Fair Value Assets/ (Liabilities)
Purchase contracts	**47,177**	**162.9**	**(16.0)**
Sales contracts	**45,660**	**160.4**	**17.9**
			1.9

All contracts mature within one year.

b) Fair Value Changes of Financial Liabilities

Other than derivatives which are classified as liabilities only when they are at fair value loss position as at the end of the reporting period, the Group does not remeasure its financial liabilities at fair value after the initial recognition.

c) Realised and Unrealised Profits or Losses

The breakdown of realised and unrealised retained profits of the Group is as follows:

	As at 30 June 2012	As at 30 June 2011
Total retained profits of the Company and its subsidiaries		
- realised	**20,899.6**	20,671.3
- unrealised	**5,656.7**	(527.8)
	26,556.3	20,143.5
Total share of retained profits from jointly controlled entities		
- realised	**38.6**	77.8
- unrealised	**(21.2)**	(53.4)
	17.4	24.4
Total share of retained profits from associates		
- realised	**261.3**	158.7
- unrealised	**(17.5)**	2.2
	243.8	160.9
Less: consolidation adjustments	**(11,755.6)**	(7,398.9)
Total retained profits of the Group	**15,061.9**	12,929.9

The unrealised profits are determined in accordance with the Guidance on Special Matter No. 1 (GSM1) issued by the Malaysian Institute of Accountants. In arriving at the unrealised profits, we have also included the following which are deemed in the GSM1 as unrealised:

i) Credits or charges relating to the recognition of deferred tax,
ii) Cumulative net gains (but not net losses) from the remeasurement of assets or liabilities at fair value through profit or loss,
iii) Provision of liabilities in respect of present obligations where resources are only consumed upon settlement of the obligation, and
iv) Translation gains or losses of monetary items denominated in a currency other than the functional currency.

B11. Material Litigation

Changes in material litigations since the date of the last annual statement of financial position up to 22 August 2012 are as follows:

1. PT Adhiyasa Saranamas ("PTAS") commenced a legal suit on 17 September 2003 against Kumpulan Guthrie Berhad ("KGB") and 6 of its Indonesian subsidiaries for an alleged breach of contract with regards to the provision of consultancy services in connection with the acquisition of subsidiaries in Indonesia.

   On 4 March 2008, the Decision on Further Review partially approved PTAS' claim and ordered KGB to pay the amount of USD25.76 million together with interest at the rate of 6% per year thereon as of the date of the registration of PTAS' claim at the District Court of South Jakarta until full payment.

   On 27 May 2009, KGB requested the postponement of the implementation of the said decision until corresponding legal proceedings in Malaysia were concluded. KGB's request was however rejected and on 10 June 2009, the District Court of South Jakarta issued an order of execution against four land titles (assets) of PT Aneka Intipersada, PT Kridatama Lancar, PT Teguh Sempurna and PT Ladangrumpun Suburabadi, 4 subsidiaries of the Group in Indonesia and requested for assistance from the relevant/respective district courts in which jurisdiction the assets are located to effect the executorial attachment orders.

   The parties have now amicably settled the above legal actions instituted in Indonesia, including the removal of the executorial attachment orders ("Attachment Orders"). The Attachment Orders were removed on 23 November 2011 (in the Sampit District Court and the land registry), 24 November 2011 (in the Kotabaru District Court and the land registry) and 6 December 2011 (in the Siak Sri Indrapura District Court and the land registry) and accordingly the legal suit is considered closed.

   In Malaysia, PTAS had on 11 March 2008 commenced legal proceedings against KGB to enforce the Decision on Further Review.

   At the case management on 2 March 2012, the High Court judge directed that the matter proceed to trial and fixed the same for trial on 7 to 10 May 2012.

   In light of the settlement of legal actions in Indonesia and the pre-trial directions handed down, KGB applied to amend its Amended Defence, which application was allowed by the High Court on 27 March 2012.

   At the final case management of 4 May 2012, the High Court judge vacated the trial dates on 7 and 8 May 2012 and asked the parties to commence the trial on 9 May 2012. The trial concluded on 10 May 2012 and on 14 June 2012, the High Court dismissed PTAS's claim with costs to be taxed if not agreed.

   PTAS had on 15 June 2012 filed its notice of appeal to the Court of Appeal and has 8 weeks from that date to file its Record of Appeal. However, to-date, KGB has not been served with PTAS's Record of Appeal and no date has been fixed for the appeal in the Court of Appeal.

2. On 23 December 2010, Sime Darby Berhad, Sime Darby Engineering Sdn Bhd, Sime Darby Energy Sdn Bhd, Sime Darby Marine Sdn Bhd and Sime Darby Marine (Hong Kong) Pte Ltd (Plaintiffs) filed a civil suit in the High Court of Malaya at Kuala Lumpur (Civil Suit No. D – 22NCC – 2379 – 2010) against Dato' Seri Ahmad Zubair @ Ahmad Zubir bin Hj Murshid ("DSAZ"), Dato' Mohamad Shukri bin Baharom ("DMS"), Abdul Rahim bin Ismail, Abdul Kadir Alias and Mohd Zaki bin Othman (Defendants) claiming, inter alia, damages in connection with the aforementioned Defendants' negligence and breaches of duty in relation to the Qatar Petroleum Project (QP Project), the Maersk Oil Qatar Project (MOQ Project) and the project relating to the construction of marine vessels known as the Marine Project.

   The Writ of Summons and Statement of Claim have been served on all the Defendants. All the Defendants have filed their respective Defences.

B11. Material Litigation (continued)

Changes in material litigations since the date of the last annual statement of financial position up to 22 August 2012 are as follows: (continued)

DSAZ, the 1st Defendant, thereafter filed third party notices dated 8 March 2011 against 22 individuals (DSAZ's Third Party Notices). These 22 individuals include some current members of the board of Sime Darby Berhad. Pursuant to DSAZ's Third Party Notices, the 1st Defendant is seeking for indemnity and/or contribution from the 22 individuals in the event the 1st Defendant is found liable to the Plaintiffs.

DMS, the 2nd Defendant, also filed similar third party notices dated 20 April 2011 against 12 individuals and Sime Darby Holdings Berhad (DMS's Third Party Notices). These 12 individuals comprise former management and former members of the board of Sime Darby Berhad, its subsidiaries and Kumpulan Sime Darby Berhad and former members of the audit and supervisory committee of Sime Darby Berhad's Energy & Utilities Division. Pursuant to DMS's Third Party Notices, the 2nd Defendant is seeking an indemnity and/or contribution from the third parties in the event the 2nd Defendant is found liable to the Plaintiffs.

Solicitors have been engaged to defend all the third parties in the 1st and 2nd Defendants' third party proceedings.

The 1st Defendant had on 2 June 2011 and 8 June 2011 discontinued its third party proceedings against 5 individuals out of the 22 it had originally named.

The remaining third parties have applied to strike out third party proceedings instituted against them by the 1st and the 2nd Defendants. The High Court had, on 13 December 2011, allowed the applications by the third parties and struck out the 1st and the 2nd Defendants' third party statements of claim, set aside the third party notices and dismissed the third party proceedings on the basis, amongst others, that the 1st and the 2nd Defendants' third party proceedings were frivolous and vexatious ("High Court Decision").

On 11 January 2012, the 1st and the 2nd Defendants filed their respective Appeals against the High Court Decision ("Appeals"). The Appeals are fixed for hearing on 1 August 2012.

At the case management of the main suit on 19 January 2012, the High Court had directed the parties to complete the discovery process by the next case management date on 20 March 2012.

On 20 March 2012, the Plaintiffs' solicitors updated the Court on the progress of the discovery and inspection process with regard to the 1st Defendant's application for discovery of documents ("1st Defendant's Discovery Application"). The matter was fixed for further case management on 29 June 2012 when the entire inspection process was anticipated to be completed.

On 29 June 2012, the Court fixed the 1st Defendant's Discovery Application for hearing on 21 September 2012.

On 1 August 2012, the Court of Appeal, after hearing submissions from the 1st and 2nd Defendants' solicitors, dismissed the Appeals with costs. At the hearing, the 1st Defendant's solicitor intimated that the 1st Defendant may appeal against the Court of Appeal's decision. However, leave of the Federal Court is required in this respect.

B11. Material Litigation (continued)

Changes in material litigations since the date of the last annual statement of financial position up to 22 August 2012 are as follows: (continued)

3. On 24 December 2010, Sime Darby Berhad, Sime Engineering Sdn Bhd, Sime Darby Holdings Berhad and Sime Darby Energy Sdn Bhd ("Plaintiffs") filed a civil suit in the High Court of Malaya at Kuala Lumpur (Civil Suit No. D – 22NCC – 2391 – 2010) against Dato' Seri Ahmad Zubair @ Ahmad Zubir bin Hj Murshid ("DSAZ"), Dato' Mohamad Shukri bin Baharom ("DMS") and Abdul Rahim bin Ismail (collectively, the "Defendants") claiming, inter alia, damages in connection with the aforementioned Defendants' negligence and breaches of duty in relation to the Package CW2-Main Civil Works for the Bakun Hydroelectric Project ("Bakun Project") and in respect of the Receipt, Discharge and Indemnity Agreement dated 12 January 2010 ("Indemnity Agreement") given to DMS.

   The Writ of Summons and Statement of Claim have been served on all the Defendants. All the Defendants have filed their respective Defences.

   DSAZ, the 1st Defendant, therefore filed third party notices dated 8 March 2011 against 22 individuals ("DSAZ's Third Party Notices"). These 22 individuals include some current members of the board of Sime Darby Berhad. Pursuant to DSAZ's Third Party Notices, the 1st Defendant is seeking an indemnity and/or contribution from the 22 individuals in the event the 1st Defendant is found liable to the Plaintiffs.

   DMS, the 2nd Defendant, also filed similar third party notices dated 20 April 2011 against 11 individuals, Sime Engineering Sdn Bhd and Sime Darby Holdings Berhad ("DMS's Third Party Notices"). These 11 individuals comprise former members of the board of Sime Darby Berhad, its subsidiaries and Kumpulan Sime Darby Berhad and former members of the audit and supervisory committee of Sime Darby Berhad's Energy & Utilities Division. Pursuant to DMS's Third Party Notices, the 2nd Defendant is seeking an indemnity and/or contribution from the third parties in the event the 2nd Defendant is found liable to the Plaintiffs.

   The 1st Defendant had on 2 June 2011 and 8 June 2011 discontinued its third party proceedings against 5 individuals out of the 22 it had originally named.

   The remaining third parties have applied to strike out third party proceedings instituted against them by the 1st and the 2nd Defendants. The High Court had, on 13 December 2011 allowed the applications by all the third parties and struck out the 1st and the 2nd Defendants' third party statements of claim, set aside the third party notices and dismissed the third party proceedings on the basis, amongst others, that the 1st and the 2nd Defendants' third party proceedings were frivolous and vexatious ("High Court Decision").

   On 11 January 2012, the 1st and the 2nd Defendants filed their respective Appeals against the High Court Decision ("Appeals"). The Appeals are fixed for hearing on 1 August 2012.

   At the case management of the main suit on 19 January 2012, the High Court directed the parties to complete the discovery process by the next case management date on 20 March 2012.

   On 20 March 2012, the Plaintiffs' solicitors updated the Court on the progress of the discovery and inspection process with regard to the 1st Defendant's application for discovery of documents ("1st Defendant's Discovery Application"). The matter was fixed for further case management on 29 June 2012 when the entire inspection process was anticipated to be completed.

   On 29 June 2012, the Court fixed the 1st Defendant's Discovery Application for hearing on 21 September 2012.

   On 1 August 2012 before the start of the proceedings, the 2nd Defendant withdrew his appeal against Sime Engineering Sdn Bhd and Sime Darby Holdings Berhad with no order as to costs. With regard to the other appeals, the Court of Appeal, after hearing submissions from the 1st and the 2nd Defendants' solicitors, dismissed the Appeals with costs. At the hearing, the 1st Defendant's solicitor intimated that the 1st Defendant may appeal against the Court of Appeal's decision. However, leave of the Federal Court is required in this respect.

B11. Material Litigation (continued)

Changes in material litigations since the date of the last annual statement of financial position up to 22 August 2012 are as follows: (continued)

4. Emirates International Energy Services ("EMAS") had, on 13 January 2011, filed a suit in the Plenary Commercial Court in Abu Dhabi against Sime Darby Engineering Sdn Bhd (SDE) claiming payment of USD178.2 million ("First Suit"). This amount comprises a payment of USD128.2 million and USD50.0 million for commissions and "morale compensation" respectively. At the case management on 14 August 2011, SDE (through its local counsel) filed its Statement of Defence and Counter Claim against EMAS for the sum of AED100 million.

   On 22 August 2011, the Court dismissed EMAS's claim based on SDE's request for the matter to be referred to arbitration. As at 21 September 2011, SDE's solicitors have not received any notification of an appeal by EMAS and accordingly the First Suit was then considered closed.

   EMAS had, on 11 December 2011, submitted a request for arbitration to the Abu Dhabi Commercial Conciliation & Arbitration Centre ("ADCCAC"). By way of a notice dated 26 December 2011 ("Notice") which SDE received on 17 January 2012, SDE was informed that the matter has been registered for arbitration. SDE's local counsel had on 14 February 2012 filed and submitted the response to the Notice to ADCCAC. Currently pending EMAS's response to SDE's response dated 14 February 2012.

   The quantum of the claim was not stated in the Notice.

   On 31 March 2012, EMAS filed another suit against SDE at the Judicial Department of Abu Dhabi. The claim of USD178.2 million by EMAS is based on the same facts and grounds as the First Suit. SDE has been advised by its local counsel that the commencement of another legal suit by EMAS at the Abu Dhabi Court is an abuse of the court process. At the case management on 19 April 2012, SDE's local counsel argued for the suit to be dismissed. .

   On the hearing on 30 May 2012, the Court dismissed the case on procedural grounds, namely that EMAS did not comply with the procedures for Commercial Agency disputes as set forth in Articles 27 and 28 of the United Arab Emirates Commercial Agencies Law when it failed to raise a formal claim or mediation request with the Committee of Commercial Agencies at the Ministry of Economy in the first instance.

   SDE's local counsel advised that the dismissal is not a dismissal on the merits and EMAS may resubmit the case once they have gone through the Commercial Agencies Committee procedures. SDE's local counsel further advised that SDE can do nothing until EMAS file a mediation request with the Commercial Agencies Committee.

   On 21 June 2012, EMAS filed an appeal against the decision of the Court dated 30 May 2012 ("Appeal"). SDE has been advised by its local counsel on 29 June 2012 that the strength of the Appeal is viewed to be limited.

   The hearing of the Appeal was fixed on 13 August 2012 to allow SDE to review and conduct discovery relating to the grounds of the Appeal.

   On 13 August 2012, the Court heard SDE's submission and fixed 28 August 2012 to render its judgment.

B11. Material Litigation (continued)

Changes in material litigations since the date of the last annual statement of financial position up to 22 August 2012 are as follows: (continued)

5. On 18 November 2011, Michael Chow Keat Thye ("Applicant") filed an application pursuant to Order 53 rule 3(2) of the Rules of the High Court for judicial review against the Securities Commission of Malaysia (SC) to quash the decision made by the SC on 11 October 2011 in ruling that the acquisition of the equity interest in Eastern & Oriental Berhad (E&O) by Sime Darby Nominees Sdn Bhd (SD Nominees) has not given rise to a mandatory offer obligation and seek for an Order of the Court to compel SD Nominees to make a mandatory offer at the price of RM2.30 per share.

   On 8 December 2011, the Court granted leave to the Applicant to apply for judicial review. On 5 January 2012, SD Nominees filed an application to be added as a party in the judicial review proceedings and obtained leave to be added as 2nd Respondent on 11 January 2012.

   On 25 January 2012, SC filed an application to recuse the learned judge.

   On 31 January 2012, SD Nominees filed an application to expunge that part of the Applicant's Affidavit and the exhibit (JP Morgan's press interview) which alleged that SD Nominees had admitted to having obtained majority control in E&O on the basis that it constituted hearsay statements and was inadmissible.

   On 2 April 2012, the learned judge dismissed the recusal application with costs of RM3,000.00 to be paid by SC to the Applicant. The SC filed a notice to appeal to the Court of Appeal against the decision of the High Court to dismiss the recusal application on 2 May 2012 ("SC's Appeal"). SC's Appeal has been fixed for hearing on 9 August 2012.

   On 9 April 2012, the registrar fixed the application to expunge for hearing on 24 July 2012. The substantive judicial review is fixed for mention on the same day.

   On 1 June 2012, the SC filed and served an application to stay the High Court proceedings pending the disposal of SC's Appeal. The application to stay is fixed for mention on 21 June 2012.

   On 21 June 2012, the registrar fixed both the application to stay and the application to expunge for hearing on 24 July 2012.

   The hearing of the application to stay and the application to expunge which has been scheduled on 24 July 2012 has been converted to a mention following the Applicant's request and pending the disposal of the SC's Appeal to the Court of Appeal.

   On 24 July 2012, the Counsel for the Applicant and SC informed the learned judge that in relation to SC's stay of proceedings application, the parties have agreed for a stay to be granted until 9 August 2012, being the hearing date of SC's Appeal. The Judicial Review was fixed for case management on 14 August 2012.

   On 14 August 2012, the SC and the Applicant have agreed to stay the Judicial Review proceeding until 2 October 2012, being hearing date of the Appeal or alternatively if the hearing of the Appeal is adjourned, until the next case management date. The case management of the Judicial Review proceedings is now fixed on 10 October 2012.

6. On 15 August 2012, Sime Darby Engineering Sdn Bhd (SDE) filed a Statement of Claim at the Qatar Court against Qatar Petroleum (QP) for the sum of QR1,005,353,061. This is the total amount of the outstanding invoices, compensation, performance bonds and additional costs in relation to the substantial engineering project offshore in Qatar undertaken by SDE in favour of QP pursuant to a contract signed by both parties on 27 September 2006. However, the contract came into effect much earlier on 15 April 2006 and SDE had commenced work since then.

Amounts in RM million unless otherwise stated

B11. Material Litigation (continued)

Changes in material litigations since the date of the last annual statement of financial position up to 22 August 2012 are as follows: (continued)

The contract was for the provisioning of engineering works, supply, installation and commissioning of 3 wellhead platforms (jackets and topsides), modifications to 34 existing platforms, 17 sub-sea pipelines between existing and new platforms, umbilical connections at various platforms and other works relating to development of Bul Hanine and Maydan Mahzan offshore oilfields.

The claim of QR1,005,353,061 comprises the following:

- QR 890,653,373 in respect of the main claim for delay/prolongation;
- QR 94,588,500 for repayment of the wrongfully encashed performance guarantee;
- QR 10,111,188 for previously unpaid invoices;
- QR 10,000,000 for unspecific compensation for the late payment of invoices and encashment of guarantee.

The Court has fixed the first hearing on 9 October 2012.

B12. Dividend

The Board has recommended a final single tier dividend of 25.0 sen per share in respect of the financial year ended 30 June 2012 which is not taxable in the hands of the shareholders pursuant to paragraph 12B of Schedule 6 of the Income Tax Act 1967. The dividend is proposed to be paid on 14 December 2012 and the entitlement date for the dividend payment is 30 November 2012.

If approved by members at the forthcoming Annual General Meeting of the Company, the final single tier dividend will be payable to shareholders (who are exempted from mandatory deposit) and depositors registered in the Register of Members and Record of Depositors respectively at the close of business on 30 November 2012.

A depositor shall qualify for entitlement to the dividend only in respect of:

i) shares deposited into the depositor's securities account before 12:30pm on 28 November 2012 in respect of shares which are exempted from mandatory deposit;

ii) shares transferred into the depositor's securities account before 4:00pm on 30 November 2012 in respect of transfers; and

iii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

The total net dividends for the year ended 30 June 2012 is 35.0 sen per share, comprising:

	Year ended 30 June 2012		**Year ended 30 June 2011**	
	Net Per share (sen)	**Total net dividend**	**Net Per share (sen)**	**Total net dividend**
Interim single tier dividend	**10.0**	**601.0**	8.0	480.7
Final single tier dividend	**25.0**	**1,502.3**	22.0	1,322.1
	35.0	**2,103.3**	30.0	1,802.8

B13. Basic Earnings/(Loss) Per Share

	Quarter ended 30 June		Year ended 30 June	
	2012	**2011**	**2012**	**2011**
Basic earnings/(loss) per share are computed as follows:				
Profit/(loss) for the period attributable to owners of the Company				
- from continuing operations	**1,099.1**	1,334.1	**4,216.4**	3,663.1
- from discontinued operations	**–**	(21.5)	**(66.2)**	1.4
	1,099.1	1,312.6	**4,150.2**	3,664.5
Weighted average number of ordinary shares in issue (million)	**6,009.5**	6,009.5	**6,009.5**	6,009.5
Basic earnings/(loss) per share (sen)				
- from continued operations	**18.29**	22.20	**70.16**	60.96
- from discontinued operations	**–**	(0.36)	**(1.10)**	0.02
	18.29	21.84	**69.06**	60.98

By Order of the Board
Norzilah Megawati Abdul Rahman
Group Secretary

Kuala Lumpur
28 August 2012