



**IOI PROPERTIES**

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

**Condensed Consolidated Statement of Profit or Loss**

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/6/14	30/6/13	30/6/14	30/6/13
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	<b>417,169</b>	N/A	<b>1,454,445</b>	N/A
<b>Operating profit</b>	<b>493,120</b>	N/A	<b>1,100,135</b>	N/A
Share of results of associates	(501)	N/A	3,494	N/A
Share of results of joint ventures	10,389	N/A	60,644	N/A
<b>Profit before interest and taxation</b>	<b>503,008</b>	N/A	<b>1,164,273</b>	N/A
Interest income	9,592	N/A	36,174	N/A
Finance cost	(15,749)	N/A	(48,668)	N/A
<b>Profit before taxation</b>	<b>496,851</b>	N/A	<b>1,151,779</b>	N/A
Taxation	(79,803)	N/A	(224,506)	N/A
<b>Profit for the period</b>	<b>417,048</b>	N/A	<b>927,273</b>	N/A
Attributable to:				
Owners of the parent	413,052	N/A	913,397	N/A
Non-controlling interests	3,996	N/A	13,876	N/A
	417,048	N/A	927,273	N/A
<b>Earnings per share for profit attributable to owners of the Company (sen) <sup>(2)</sup></b>				
<b>Basic</b>	<b>12.75</b>	N/A	<b>28.20</b>	N/A
<b>Diluted</b>	<b>12.75</b>	N/A	<b>28.20</b>	N/A

Notes:

- (1) No comparative figures are available for the preceeding period/year as this is the fourth interim financial report announced by the Company to Bursa Malaysia Securities Berhad ("Bursa") in compliance with the Main Market Listing Requirements of Bursa.
- (2) Based on the issued and paid up share capital of 3,239,014,726 shares of RM1.00 each.
- (3) The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 30 June 2013 as disclosed in the Prospectus of the Company dated 26 December 2013 and the accompanying notes attached to this interim financial report.



**IOI PROPERTIES**

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

**Condensed Consolidated Statement of Other Comprehensive Income**

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/6/14	30/6/13	30/6/14	30/6/13
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	<b>417,048</b>	N/A	<b>927,273</b>	N/A
<b>Other comprehensive income that will be reclassified subsequently to profit or loss when specific conditions are met</b>				
Exchange differences on translation of foreign operations	(42,110)	N/A	34,543	N/A
<b>Other comprehensive income for the period</b>	<b>(42,110)</b>	N/A	<b>34,543</b>	N/A
<b>Total comprehensive income for the period, net of tax</b>	<b>374,938</b>	N/A	<b>961,816</b>	N/A
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	371,491	N/A	947,807	N/A
Non-controlling interests	3,447	N/A	14,009	N/A
	<b>374,938</b>	N/A	<b>961,816</b>	N/A

Notes:

- (1) No comparative figures are available for the preceding period/year as this is the fourth interim financial report announced by the Company to Bursa Malaysia Securities Berhad ("Bursa") in compliance with the Main Market Listing Requirements of Bursa.
- (2) The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 30 June 2013 as disclosed in the Prospectus of the Company dated 26 December 2013 and the accompanying notes attached to this interim financial report.



**IOI PROPERTIES**

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position**

	AS AT 30/6/14 RM'000	AS AT 30/06/13 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	1,047,300	N/A
Land held for property development	3,011,711	N/A
Investment properties	2,765,489	N/A
Prepaid lease payments	94,502	N/A
Goodwill on consolidation	11,472	N/A
Associates	64,517	N/A
Joint ventures	3,855,746	N/A
Deferred tax assets	65,052	N/A
	<b>10,915,789</b>	<b>N/A</b>
<b>Current assets</b>		
Property development costs	2,116,687	N/A
Inventories	191,519	N/A
Receivables	492,044	N/A
Current tax assets	42,311	N/A
Other investments	340,629	N/A
Short term funds	225,079	N/A
Deposits with financial institutions	261,957	N/A
Cash and bank balances	131,216	N/A
	<b>3,801,442</b>	<b>N/A</b>
<b>TOTAL ASSETS</b>	<b>14,717,231</b>	<b>N/A</b>



**IOI PROPERTIES**

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position**

	AS AT 30/6/14 RM'000	AS AT 30/06/13 RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	3,239,015	N/A
Share premium	11,383,821	N/A
Foreign currency translation reserve	162,846	N/A
Reorganisation debit balance	(8,440,152)	N/A
Retained earnings	4,880,479	N/A
	<u>11,226,009</u>	<u>N/A</u>
<b>Non-controllings interests</b>	<b>98,729</b>	<b>N/A</b>
<b>Total equity</b>	<b><u>11,324,738</u></b>	<b><u>N/A</u></b>
<b>Non-current liabilities</b>		
Long term borrowings	1,307,230	N/A
Other long term liabilities	95,305	N/A
Deferred tax liabilities	205,411	N/A
	<u>1,607,946</u>	<u>N/A</u>
<b>Current liabilities</b>		
Payables	1,009,490	N/A
Short term borrowings	750,000	N/A
Current tax liabilities	25,057	N/A
	<u>1,784,547</u>	<u>N/A</u>
<b>Total liabilities</b>	<b><u>3,392,493</u></b>	<b><u>N/A</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>14,717,231</u></b>	<b><u>N/A</u></b>
<b>Net assets per share attributable to owners of the Company (RM) <sup>(2)</sup></b>	<b>3.47</b>	<b>N/A</b>

Notes:

- (1) No comparative figures are available for the preceeding period/year as this is the fourth interim financial report announced by the Company to Bursa Malaysia Securities Berhad ("Bursa") in compliance with the Main Market Listing Requirements of Bursa.
- (2) Based on the issued and paid up share capital of 3,239,014,726 shares of RM1.00 each.
- (3) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 30 June 2013 as disclosed in the Prospectus of the Company dated 26 December 2013 and the accompanying notes attached to this interim financial report.

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

**Condensed Consolidated Statement of Cash Flows**

	<b>12 Months Ended</b>	<b>12 Months Ended</b>
	<b>30/6/14</b>	<b>30/6/13</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Operating Activities</b>		
Profit before taxation	1,151,779	N/A
Adjustments for:		
Depreciation and amortisation	18,744	N/A
Other non-cash items	(556,692)	N/A
Operating profit before working capital changes	613,831	N/A
Decrease in inventories	61,636	N/A
Increase in receivables and other assets	(185,092)	N/A
Increase in payables and other liabilities	528,078	N/A
Cash generated from operations	1,018,453	N/A
Taxes paid	(224,166)	N/A
Taxes refund	2,807	N/A
<b>Net cash inflow from operating activities</b>	<b>797,094</b>	<b>N/A</b>
<b>Investing Activities</b>		
Acquisitions of subsidiaries	62,436	N/A
Repayments from a joint venture	16,701	N/A
Interest received	20,495	N/A
Dividends received	9,430	N/A
Proceeds from disposal of land from compulsory acquisition	8,320	N/A
Proceeds from disposal of other investments	184,299	N/A
Proceeds from disposal of property, plant and equipment	437	N/A
Additional investments in a subsidiary	(2,682)	N/A
Additional investments in a joint ventures	(2,436)	N/A
Additional investments in an associate	(1,050)	N/A
Advances to joint ventures	(35,752)	N/A
Additions to property, plant and equipment	(90,237)	N/A
Additions to other investments	(523,847)	N/A
Additions to investment properties	(397,358)	N/A
Additions to land held for property development	(838,938)	N/A
<b>Net cash outflow from investing activities</b>	<b>(1,590,182)</b>	<b>N/A</b>
<b>Financing Activities</b>		
Repayment to a former related company	(479,917)	N/A
Repayment from a non-controlling interest	5,274	N/A
Drawdown of borrowings	1,543,350	N/A
Proceeds from issuance of shares to non-controlling interests	870	N/A
Dividend paid	(14,996)	N/A
Dividend paid to non-controlling interests	(4,403)	N/A
Interest paid	(16,989)	N/A
<b>Net cash inflow from financing activities</b>	<b>1,033,189</b>	<b>N/A</b>
<b>Net increase in cash and cash equivalents</b>	<b>240,101</b>	<b>N/A</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>376,738</b>	<b>N/A</b>
<b>Effect of exchange rate changes</b>	<b>1,413</b>	<b>N/A</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>378,151</b>	<b>N/A</b>
<b>Cash and cash equivalents at end of period</b>	<b>618,252</b>	<b>N/A</b>

Notes:

- (1) No comparative figures are available for the preceeding period/year as this is the fourth interim financial report announced by the Company to Bursa Malaysia Securities Berhad ("Bursa") in compliance with the Main Market Listing Requirements of Bursa.
- (2) The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 30 June 2013 as disclosed in the Prospectus of the Company dated 26 December 2013 and the accompanying notes attached to this interim financial report.



IOI PROPERTIES

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

**Condensed Consolidated Statement Of Changes In Equity**

(RM'000)	Non-distributable				Distributable	Total attributable to owners of the Company	Non-controlling interests	Total equity
	Share capital	Share premium	Foreign currency translation reserve	Reorganisation debit balance	Retained earnings			
<b>As at 1 July 2013</b>	-	-	128,436	-	4,120,615	4,249,051	100,020	4,349,071
Profit for the financial period	-	-	-	-	913,397	913,397	13,876	927,273
Exchange difference on translation of foreign operations	-	-	34,410	-	-	34,410	133	34,543
<b>Total comprehensive income</b>	-	-	34,410	-	913,397	947,807	14,009	961,816
Transactions with owners								
Issuance of ordinary shares	3,239,015	11,383,821	-	-	-	14,622,836	-	14,622,836
Issuance of redeemable preference shares to non-controlling interests	-	-	-	-	-	-	53,848	53,848
Changes in equity interests in subsidiaries	-	-	-	-	(138,537)	(138,537)	(64,745)	(203,282)
Acquisition of subsidiaries (note (i))	-	-	-	(8,440,152)	-	(8,440,152)	-	(8,440,152)
Dividend paid (3)	-	-	-	-	(14,996)	(14,996)	-	(14,996)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(4,403)	(4,403)
<b>As at 30 June 2014</b>	<b>3,239,015</b>	<b>11,383,821</b>	<b>162,846</b>	<b>(8,440,152)</b>	<b>4,880,479</b>	<b>11,226,009</b>	<b>98,729</b>	<b>11,324,738</b>

Notes:

- (1) No comparative figures are available for the preceeding period/year as this is the fourth interim financial report announced by the Company to Bursa Malaysia Securities Berhad ("Bursa") in compliance with the Main Market Listing Requirements of Bursa.
- (2) The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 30 June 2013 as disclosed in the Prospectus of the Company dated 26 December 2013 and the accompanying notes attached to this interim financial report.
- (3) Dividend paid by a subsidiary of the Group prior to the completion of Internal Restructuring & Acquisition.

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

(The figures have not been audited)

**Explanatory Notes****a) Accounting Policies**

The interim financial report of the IOIPG Group is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 30 June 2013 as disclosed in the Prospectus of the Company dated 26 December 2013 and the accompanying notes attached to this interim financial report.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2013 except for the adoption of the following new/revised FRSs and amendments to FRSs:

<b>Title</b>	<b>Effective Date</b>
FRS 10 <i>Consolidated Financial Statements</i>	1 January 2013
FRS 11 <i>Joint Arrangements</i>	1 January 2013
FRS 12 <i>Disclosure of Interests in Other Entities</i>	1 January 2013
FRS 13 <i>Fair Value Measurement</i>	1 January 2013
FRS 119 <i>Employee Benefits</i>	1 January 2013
FRS 127 <i>Separate Financial Statements</i>	1 January 2013
FRS 128 <i>Investments in Associates and Joint Ventures</i>	1 January 2013
Amendments to FRS 1 <i>Government Loans</i>	1 January 2013
Amendments to FRS 7 <i>Disclosures - Offsetting Financial Assets and Financial Liabilities</i>	1 January 2013
Improvements to FRSs (2012)	1 January 2013
Amendments to FRS 10, FRS 11 and FRS 12 <i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i>	1 January 2013
IC Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013

The adoption of the above FRS, amendments to FRSs and IC Interpretation do not have any financial impact on the results and financial position of the Group for the current quarter except for the following:-

**FRS 13 Fair Value Measurement**

FRS 13 requires the fair value measurement of a non-financial assets takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The new FRS 13 is to be applied prospectively.

With the adoption of new FRS 13, it has resulted in an increase in the fair value of the Group's investment properties by RM30.4 million with a corresponding increase in profit or loss.

As stated in the Accountants Report for the financial year ended 30 June 2013, the Group has yet to adopt the Malaysian Financial Reporting Standards ("MFRS") framework, but has elected to be a transitioning entity which will only adopt the MFRS frameworks for the financial year ending 30 June 2016.

**b) Seasonal or Cyclical Factors**

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

**c) Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income and cash flows for the quarter under review.

**d) Material changes in Estimates of Amounts Reported**

There were no material changes in estimates of amounts reported in prior financial year that have had a material effect in the current financial quarter.



**IOI PROPERTIES**

# **IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

### **Explanatory Notes**

#### **e) Details of Changes in Debt and Equity Securities**

Save as disclosed below, there was no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buy-back, share cancellation, shares held as treasury shares and/or resale of treasury shares for the current quarter under review.

Date of allotment	Number of shares	Par value (RM)	Consideration	Cummulative number of shares
25.2.2013	2	1.00	Subscriber's shares	2
3.12.2013	2,163,866,849	1.00	Issued pursuant to the completion of acquisition of IOIP as disclosed in Note 7 of the preceding quarter's interim report announced to Bursa on 8 January 2014.	2,163,866,851
5.12.2013	1,075,147,875	1.00	Issued pursuant to the completion of acquisition of Land, Acquisition of Other Property Companies and Debt Settlement as disclosed in Note 7 of the preceding quarter's interim report announced to Bursa on 8 January 2014.	3,239,014,726

#### **f) Dividends Paid**

There was no dividend paid by the Company during this financial quarter ended 30 June 2014.





IOI PROPERTIES

IOI PROPERTIES GROUP BERHAD (1035807-A)

Interim Report For The Financial Period Ended 30 June 2014

(The figures have not been audited)

Explanatory Notes

g) Segment Revenue & Results

(RM'000)	Property Development	Property Investment	Leisure & Hospitality	Other Operations	Elimination	Consolidated
<b>12 Months Ended 30/06/14</b>						
<b>REVENUE</b>						
External	1,243,476	104,894	58,317	47,758	-	1,454,445
Inter-segment	119,712	-	-	-	(119,712)	-
Total Revenue	<u>1,363,188</u>	<u>104,894</u>	<u>58,317</u>	<u>47,758</u>	<u>(119,712)</u>	<u>1,454,445</u>
<b>RESULT</b>						
Segment operating profit	494,005	66,575	4,377	31,905	-	596,862
Fair value gain on investment properties	-	305,307	-	-	-	305,307
Share of results of associates	1,990	-	-	1,504	-	3,494
Share of results of joint ventures	60,644	-	-	-	-	60,644
Segment results	<u>556,639</u>	<u>371,882</u>	<u>4,377</u>	<u>33,409</u>	<u>-</u>	<u>966,307</u>
Gain on bargain purchase for the acquisitions of subsidiaries						197,966
Interest income						36,174
Interest expense						(48,668)
Profit before taxation						<u>1,151,779</u>
Taxation						<u>(224,506)</u>
Profit for the period						<u>927,273</u>
<b>12 Months Ended 30/06/13</b>						
<b>REVENUE</b>						
External	N/A	N/A	N/A	N/A	N/A	N/A
Inter-segment	N/A	N/A	N/A	N/A	N/A	N/A
Total Revenue	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<b>RESULT</b>						
Operating profit						N/A
Interest income						N/A
Interest expense						N/A
Share of results of associates						N/A
Share of results of joint ventures						N/A
Profit before taxation						<u>N/A</u>
Taxation						<u>N/A</u>
Profit for the period						<u>N/A</u>

Other operations consist mainly of cultivation of plantation produce, property maintenance services and other activities unrelated to any of the abovementioned major industry segments.



**IOI PROPERTIES**

# **IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

### **Explanatory Notes**

#### **h) Material Events Subsequent to the End of Financial Period**

There were no material events subsequent to the end of financial period.

#### **i) Changes in the Composition of the Group**

There were no changes in the composition of the Group during the financial period ended 30 June 2014 save for the completion of Internal Restructuring & Acquisition on 5 December 2013 in conjunction with the listing of the Company on the Main Market of Bursa. Details of the Internal Restructuring & Acquisition are disclosed in Note 7 of the quarterly interim report announced to Bursa on 8 January 2014.

#### **j) Contingent Liabilities**

There were no material contingent liabilities for the Group as at 30 June 2014.



# IOI PROPERTIES GROUP BERHAD (1035807-A)

(Incorporated in Malaysia)

## IOI PROPERTIES

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

(The figures have not been audited)

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

##### 1) Review of Group's Performance

The Group reported revenue of RM1.45 billion and profit after taxation ("profit") of RM927.3 million for the financial period ended 30 June 2014.

Revenue and operating profit of the respective operating segments for the financial period ended 30 June 2014, after excluding the one off gain from the acquisitions of subsidiaries of RM198.0 million and the fair value gain on investment properties of RM305.3 million, are analysed as follows:-

	Revenue RM'000	Operating profit RM'000
Property development	1,243,476	494,005
Property investment	104,894	66,575
Leisure, hospitality and other operations	106,075	36,282
	<u>1,454,445</u>	<u>596,862</u>

##### Property development

Revenue and operating profit from property development contributed 85% and 83% respectively to the Group's YTD performance. The main contributors include our development projects in Klang Valley and Johor, Malaysia. In addition, our development project in Xiamen, PRC has also contributed positively to the Group's results.

##### Property investment

Revenue and operating profit from property investment contributed 7% and 11% respectively to the Group's YTD performance. The main contributors include IOI Mall, Puchong, One & Two IOI Square, IOI Resort and IOI Boulevard, Puchong.

##### Leisure, hospitality and other operations

The main contributors for this segment are from Putrajaya Marriott Hotel and Palm Garden Hotel in IOI Resort. The contribution from other operations consist mainly of cultivation of plantation produce, property maintenance services.

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

The property development segment reported a 86% or RM72.3 million increase in operating profit from RM84.2 million for Q3 FY 2014 to RM156.5 million for Q4 FY 2014, contributed mainly from higher revenue recognised with advanced progress works.

The other operations segment mainly contributed by increase in activities in providing management services and cultivation of plantation produce.

##### 3) Prospects

The governments in Malaysia, Singapore and China, where the Group has its presence, have introduced various regulatory measures to promote a more stable and sustainable property market. As these regulatory measures are meant to curb speculation and not to restrict genuine demand, these measures are not expected to affect the sustainable growth of the property sector over the longer term.

The outlook for the property market in both Malaysia and Singapore remains challenging in the shorter term as the property market sentiment has soften with a slow down of investment decision. We anticipate the current market sentiment to continue over the first half of the new financial year.

Nonetheless, with an unbilled sales of approximately RM1.5 billion and higher recurring income from newly completed investment properties, the overall Group's performance is expected to be satisfactory.

##### 4) Achievability of forecast results

Not applicable.

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

Not applicable.



# IOI PROPERTIES GROUP BERHAD (1035807-A)

(Incorporated in Malaysia)

IOI PROPERTIES

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

(The figures have not been audited)

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

#### 6) Taxation

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER RM'000	PRECEDING YEAR CORRESPONDING QUARTER RM'000	CURRENT YEAR TO DATE RM'000	PRECEDING YEAR CORRESPONDING PERIOD RM'000
The tax expense comprises the following:				
Current taxation				
-Current year	38,007	N/A	155,170	N/A
-Prior year	(2,115)	N/A	6,269	N/A
Deferred taxation				
-Current year	42,053	N/A	61,256	N/A
-Prior year	1,858	N/A	1,811	N/A
	<b>79,803</b>	<b>N/A</b>	<b>224,506</b>	<b>N/A</b>

The effective tax rate of the Group for the current quarter of 16% is lower than the prevailing statutory rate. The lower effective tax rate is mainly due to the fair value gain on investment properties which attracts real property gain tax.

#### 7) Corporate Proposal

##### Proposed issuance of unrated Islamic Medium Term Notes pursuant to an unrated Islamic Term Note Programme of up to RM1,500 million in nominal value ("Sukuk Programme")

<b>Proposal</b>	<p>On 9 May 2014, the Company announced that its wholly- owned subsidiary, IOIP Capital Management Sdn. Bhd. ("IOIPCM") has submitted an application to the Securities Commission Malaysia ("SC") in relation to the Sukuk Programme.</p> <p>The Sukuk Programme shall have a tenure of up to fifteen (15) years from the date of first issuance of the unrated Islamic Medium Term Notes ("Sukuk Murabahah") under the Sukuk Programme.</p> <p>IOIPCM intends to use the proceeds raised from the Sukuk Programme for Shariah compliant purposes:</p> <p>(i) In respect of the first issuance of the Sukuk Murabahah of up to RM750 million, the proceeds to be raised shall be utilised to refinance an existing bridge loan facility granted by Malayan Banking Berhad ("MBB") to IOIPCM; and</p> <p>(ii) In respect of the subsequent issuances of the Sukuk Murabahah, the proceeds to be raised shall be utilised amongst others to finance land and development costs, any incidental costs, investment and working capital requirements of the Group.</p>
<b>Principal Adviser, Lead Arranger and Lead Manager</b>	Maybank Investment Bank Berhad
<b>Status</b>	The Company had on 23 June 2014 received the SC's approval vide its letter dated 20 June 2014 authorising the Sukuk Programme. The SC's conditional approval was announced to Bursa Malaysia Securities Berhad on 23 June 2014 and the Sukuk Programme is now pending completion.

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements****8) Group Borrowings and Debt Securities**

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

	<b>RM'000</b>
<b>(a) Short term borrowing</b>	
Unsecured	
Denominated in RM	<b>750,000</b>
<b>(b) Long term borrowings</b>	
Unsecured	
Denominated in RM**	<b>793,350</b>
Denominated in SGD (SGD200 million)	<b>513,880</b>
	<b>1,307,230</b>
<b>Total borrowings</b>	<b>2,057,230</b>

\*\* Included a USD150.0 million, equivalent to RM493.4 million synthetic foreign currency loan, which was drawdown in RM. The currency used for settlement of both principal and interest is also in RM, which is based on the rate fixed at the date of inception.

**9) Derivative Financial Instruments**

The Group has entered into the following financial investment assets with a view to maximise the Group's return on the pre-sale proceeds of development properties in Xiamen, PRC:

Types of Derivative	Maturity	Contract/Notional value
Unquoted investments	Less than 1 year	RM203,863,000 (RMB395,000,000)

The unquoted investments are operated by a reputable licensed bank in PRC. The expected return on these investments is linked to the performance of the foreign currency market, and hence the unquoted investments contain embedded derivatives. The notional value of the unquoted investments is classified as loan and receivables and measured at amortised costs. The fair value of the embedded derivative is deemed to be insignificant. The credit risk is minimal as these unquoted investments are principal guaranteed. Subsequent to the end of financial period, the contract/notional value has been realised as per contract.

**10) Fair Value Changes of Financial Liabilities**

There is no fair value changes of financial liabilities as at the date of this interim report.

**11) Realised and Unrealised Profits**

The retained profits as at the end of the reporting period are analysed as follows:

**Total retained profits of IOI Properties Group Berhad and its subsidiaries:**

- Realised	<b>3,804,272</b>
- Unrealised	<b>1,067,853</b>
	<b>4,872,125</b>

**Total share of retained profits from associates:**

- Realised	<b>9,092</b>
- Unrealised	<b>(195)</b>
	<b>8,897</b>

**Total share of accumulated losses from joint ventures:**

- Realised	<b>37,862</b>
- Unrealised	<b>(38,405)</b>
	<b>(543)</b>

<b>Total Group retained profits</b>	<b>4,880,479</b>
-------------------------------------	------------------



**IOI PROPERTIES**

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

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

**12) Notes to the Condensed Consolidated Statement of Comprehensive Income**

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

	<b>CURRENT YEAR QUARTER (30/6/14) RM'000</b>	<b>CURRENT YEAR TO DATE (30/6/14) RM'000</b>
Fair value gain on investment properties	(305,307)	(305,307)
Gain on bargain purchase for the acquisition of subsidiaries	-	(197,966)
Interest income	(9,592)	(36,174)
Other income including investment income		
- Dividend income	-	(12)
Interest expense	15,749	48,668
Depreciation and amortisation	5,473	18,744
Impairment losses/written back on receivables	418	(285)

Other than as per disclosed above, the Group does not have other material items that recognised as profit/loss in the consolidated statement of profit or loss and statement of other comprehensive income.

**13) Material Litigation**

There is no pending material litigation as at the date of this announcement.

**14) Dividends**

The Board now declares an interim single tier dividend of 8.0 sen per ordinary share of RM1.00 each in respect of the financial year ended 30 June 2014 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 will be payable on 29 October 2014 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 30 September 2014.

A Depositor shall qualify for entitlement only in respect of:-

- a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 30 September 2014 in respect of transfers; and
- b) Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 26 September 2014 (in respect of shares which are exempted from mandatory deposit); and
- c) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.



**IOI PROPERTIES**

**IOI PROPERTIES GROUP BERHAD (1035807-A)**

(Incorporated in Malaysia)

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

(The figures have not been audited)

**15) Earnings per Share**

	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 Mths)	
	CURRENT YEAR QUARTER RM'000	PRECEDING YEAR CORRESPONDING QUARTER RM'000	CURRENT YEAR TO DATE RM'000	PRECEDING YEAR CORRESPONDING PERIOD RM'000
<b>a) Basic earnings per share</b>				
Net profit for the period	413,052	N/A	913,397	N/A
Weighted average number of ordinary shares in issue ('000)	3,239,015	N/A	3,239,015	N/A
Basic earnings per share (sen)	<u>12.75</u>	N/A	<u>28.20</u>	N/A
<b>b) Diluted earnings per share</b>				
Net profit for the period	413,052	N/A	913,397	N/A
Weighted average number of ordinary shares in issue ('000)	3,239,015	N/A	3,239,015	N/A
Diluted earnings per share (sen)	<u>12.75</u>	N/A	<u>28.20</u>	N/A

**16) Audit Qualification**

There is no audit report on the Group's preceding year's financial statements as the Group had only existed on 3 December 2013.

By Order of the Board

**Tan Choong Khiang**  
Company Secretary

Putrajaya  
25 August 2014