



IOI PROPERTIES

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

(Incorporated in Malaysia)

**Interim Report For The Financial Period Ended 31 March 2015**

(The figures have not been audited)

**Condensed Consolidated Statement of Profit or Loss**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/15	31/03/14	31/03/15	31/03/14
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
<b>Revenue</b>	<b>468,387</b>	<b>365,796</b>	<b>1,292,164</b>	<b>1,037,276</b>
Cost of sales	(235,882)	(201,211)	(612,411)	(501,668)
<b>Gross profit</b>	<b>232,505</b>	<b>164,585</b>	<b>679,753</b>	<b>535,608</b>
Other operating income	8,414	14,063	197,876	225,619
Marketing and selling expenses	(23,517)	(22,933)	(63,306)	(49,247)
Administration expenses	(51,982)	(25,170)	(112,909)	(64,392)
Other operating expenses	(18,512)	(25,631)	(54,585)	(40,573)
<b>Operating profit</b>	<b>146,908</b>	<b>104,914</b>	<b>646,829</b>	<b>607,015</b>
Share of results of associates	434	454	1,039	3,995
Share of results of joint ventures	(8,386)	15,590	(6,764)	50,255
<b>Profit before interest and taxation</b>	<b>138,956</b>	<b>120,958</b>	<b>641,104</b>	<b>661,265</b>
Interest income	15,177	8,161	34,485	26,582
Interest expense	8,862	(14,144)	(31,524)	(32,919)
<b>Profit before taxation</b>	<b>162,995</b>	<b>114,975</b>	<b>644,065</b>	<b>654,928</b>
Taxation	(51,485)	(24,354)	(147,553)	(144,703)
<b>Profit for the period</b>	<b>111,510</b>	<b>90,621</b>	<b>496,512</b>	<b>510,225</b>
Attributable to:				
Owners of the parent	107,760	89,111	489,109	500,345
Non-controlling interests	3,750	1,510	7,403	9,880
	111,510	90,621	496,512	510,225
<b>Earnings per share for profit attributable to owners of the Company (sen)</b>				
Basic	3.04	2.75	14.65	15.45
Diluted	3.04	2.75	14.65	15.45

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)

Certain figures included in the preceding year corresponding quarter have been restated to conform with the audited figures.



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**Condensed Consolidated Statement of Other Comprehensive Income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/15	31/03/14	31/03/15	31/03/14
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	<b>111,510</b>	90,621	<b>496,512</b>	510,225
<b>Other comprehensive income that will be reclassified subsequently to profit or loss</b>				
Exchange differences on translation of foreign operations	168,529	(38,517)	398,070	76,653
<b>Other comprehensive income for the period, net of tax</b>	<b>168,529</b>	(38,517)	<b>398,070</b>	76,653
<b>Total comprehensive income for the period</b>	<b>280,039</b>	52,104	<b>894,582</b>	586,878
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	274,858	50,646	883,746	576,316
Non-controlling interests	5,181	1,458	10,836	10,562
	<b>280,039</b>	52,104	<b>894,582</b>	586,878

(The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)



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**Condensed Consolidated Statement of Financial Position**

	AS AT 31/03/15 RM'000	AS AT 30/06/14 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	1,106,365	1,047,300
Prepaid lease payments	108,921	94,502
Land held for property development	3,114,250	3,011,711
Investment properties	3,285,580	2,765,489
Goodwill on consolidation	11,472	11,472
Investments in associates	86,359	64,517
Interests in joint ventures	3,949,516	3,855,746
Deferred tax assets	86,566	72,896
	<b>11,749,029</b>	<b>10,923,633</b>
<b>Current assets</b>		
Property development costs	2,750,608	2,116,687
Inventories	351,521	191,519
Trade and other receivables	622,279	492,044
Current tax assets	82,880	42,311
Other investments	279,995	340,629
Short term funds	975,304	225,079
Deposits with financial institutions	515,975	261,957
Cash and bank balances	207,978	131,216
	<b>5,786,540</b>	<b>3,801,442</b>
<b>TOTAL ASSETS</b>	<b>17,535,569</b>	<b>14,725,075</b>



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**Condensed Consolidated Statement of Financial Position**

	AS AT 31/03/15 RM'000	AS AT 30/06/14 RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	3,778,851	3,239,015
Reserves	12,426,256	11,546,667
Reorganisation debit balance	(8,440,152)	(8,440,152)
Retained earnings	5,087,013	4,857,000
	<u>12,851,968</u>	<u>11,202,530</u>
<b>Non-controlling interests</b>	<b>106,473</b>	<b>98,677</b>
<b>Total equity</b>	<b><u>12,958,441</u></b>	<b><u>11,301,207</u></b>
<b>Non-current liabilities</b>		
Borrowings	2,778,004	1,307,230
Amounts due to non-controlling interests	100,482	95,305
Deferred tax liabilities	260,867	205,411
	<u>3,139,353</u>	<u>1,607,946</u>
<b>Current liabilities</b>		
Borrowings	-	750,000
Trade and other payables	1,403,868	1,040,865
Current tax liabilities	33,907	25,057
	<u>1,437,775</u>	<u>1,815,922</u>
<b>Total liabilities</b>	<b><u>4,577,128</u></b>	<b><u>3,423,868</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>17,535,569</u></b>	<b><u>14,725,075</u></b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>3.40</b>	<b>3.46</b>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)

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**IOI PROPERTIES****Interim Report For The Financial Period Ended 31 March 2015**

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**Condensed Consolidated Statement of Cash Flows**

	<b>9 Months Ended</b> <b>31/03/15</b> <b>RM'000</b>	<b>9 Months Ended</b> <b>31/03/14</b> <b>RM'000</b>
<b>Operating Activities</b>		
Profit before taxation	644,065	654,928
Adjustments for:		
Depreciation and amortisation	21,233	13,271
Fair value gain on investment properties	(178,335)	-
Gain on bargain purchase for the acquisition of subsidiaries	-	(197,966)
Other non-cash items	1,930	(50,269)
Operating profit before working capital changes	488,893	419,964
Decrease in inventories	46,108	53,071
Increase in receivables and other assets	(488,642)	(177,506)
Increase in payables and other liabilities	316,128	529,391
Cash generated from operations	362,487	824,920
Taxes paid	(147,256)	(145,084)
Taxes refund	-	997
<b>Net cash inflow from operating activities</b>	<b>215,231</b>	<b>680,833</b>
<b>Investing Activities</b>		
Acquisitions of subsidiaries	-	62,436
Repayments from a joint venture	54,886	12,969
Interest received	30,091	12,223
Dividends received	99,560	9,430
Proceeds from disposal of land from compulsory acquisition	5,274	8,320
Proceeds received upon maturity of other investments	114,869	166,006
Proceeds from disposal of investment properties	1,617	-
Proceeds from disposal of property, plant and equipment	12,364	296
Additional investment in a subsidiary	(15)	(2,682)
Additional investments in joint ventures	(31,532)	-
Additional investment in an associate	(20,803)	-
Advances to joint ventures	(28,374)	(31,545)
Additions to property, plant and equipment	(142,447)	(89,178)
Additions to other investments	-	(330,829)
Additions to investment properties	(325,562)	(223,634)
Additions to land held for property development	(329,357)	(609,447)
<b>Net cash outflow from investing activities</b>	<b>(559,429)</b>	<b>(1,015,635)</b>
<b>Financing Activities</b>		
Repayment to a related company	-	(500,050)
Proceeds from issuance of right issues	1,024,788	-
Drawdown of borrowings	932,208	1,243,350
Repayment of borrowings	(237,214)	-
Repayment from non-controlling interests	-	534
Dividend paid	(259,121)	(14,996)
Dividend paid to non-controlling interests	(3,000)	(4,403)
Interest paid	(60,088)	(15,752)
<b>Net cash inflow from financing activities</b>	<b>1,397,573</b>	<b>708,683</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,053,375</b>	<b>373,881</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>618,252</b>	<b>376,738</b>
<b>Effect of exchange rate changes</b>	<b>27,630</b>	<b>7,702</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>645,882</b>	<b>384,440</b>
<b>Cash and cash equivalents at end of period</b>	<b>1,699,257</b>	<b>758,321</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to this interim financial report.)



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**Condensed Consolidated Statement Of Changes In Equity**

(RM'000)

	Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Reorganisation debit balance	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
<b>As at 1 July 2014</b>	<b>3,239,015</b>	<b>11,383,821</b>	-	<b>162,846</b>	<b>(8,440,152)</b>	<b>4,857,000</b>	<b>11,202,530</b>	<b>98,677</b>	<b>11,301,207</b>
Profit for the financial period	-	-	-	-	-	489,109	489,109	7,403	496,512
Exchange difference on translation of foreign operations	-	-	-	394,637	-	-	394,637	3,433	398,070
<b>Total comprehensive income</b>	-	-	-	394,637	-	489,109	883,746	10,836	894,582
Transactions with owners									
Issuance of ordinary shares	539,836	485,852	-	-	-	-	1,025,688	-	1,025,688
Share issuance costs	-	(900)	-	-	-	-	(900)	-	(900)
Changes in equity interests in subsidiaries	-	-	-	-	-	25	25	(40)	(15)
Dividend paid	-	-	-	-	-	(259,121)	(259,121)	-	(259,121)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(3,000)	(3,000)
<b>As at 31 March 2015</b>	<b>3,778,851</b>	<b>11,868,773</b>	-	<b>557,483</b>	<b>(8,440,152)</b>	<b>5,087,013</b>	<b>12,851,968</b>	<b>106,473</b>	<b>12,958,441</b>
<b>As at 1 July 2013</b>	<b>406,393</b>	<b>881,345</b>	<b>41,090</b>	<b>128,436</b>	-	<b>4,120,615</b>	<b>5,577,879</b>	<b>100,020</b>	<b>5,677,899</b>
Profit for the financial period	-	-	-	-	-	889,918	889,918	13,824	903,742
Exchange difference on translation of foreign operations	-	-	-	34,410	-	-	34,410	133	34,543
<b>Total comprehensive income</b>	-	-	-	34,410	-	889,918	924,328	13,957	938,285
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	(406,393)	(881,345)	(41,090)	-	(8,440,152)	-	(9,768,980)	-	(9,768,980)
Dividend paid	-	-	-	-	-	(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>4,857,000</b>	<b>11,202,530</b>	<b>98,677</b>	<b>11,301,207</b>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying notes attached to this interim financial report.)



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(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 audited financial statements for the financial year ended 30 June 2014. Those explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2014.

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 2014 except for the adoption of the following new/revised FRSs and amendments to FRSs:

<b>Title</b>	<b>Effective Date</b>
Amendments to FRS 10 <i>Consolidated Financial Statements: Investment Entities</i>	1 January 2014
Amendments to FRS 12 <i>Disclosure of Interest in Other Entities: Investment Entities</i>	1 January 2014
Amendments to FRS 127 <i>Separate Financial Statements (2011): Investment Entities</i>	1 January 2014
Amendments to FRS 132 <i>Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
Amendments to FRS 136 <i>Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
Amendments to FRS 139 <i>Novation of Derivatives and Continuation of Hedge-Accounting</i>	1 January 2014
IC Interpretation 21 <i>Levies</i>	1 January 2014
Amendments to FRS 119 <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Amendments to FRSs <i>Annual Improvements to FRSs 2010-2012 Cycle</i>	1 July 2014
Amendments to FRSs <i>Annual Improvements to FRSs 2011-2013 Cycle</i>	1 July 2014

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.

**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.

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

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 financial period save for the followings:-

- (a) On 30 September 2014, the Company had issued unrated Medium Term Notes under the Sukuk programme for the aggregate nominal value of RM750.0 million.
- (b) The proposed renounceable rights issue of 539,835,787 new ordinary shares of RM1.00 each in IOIPG ("IOIPG Shares") ("Rights Shares") at an issue price of RM1.90 per Right Share on the basis of one (1) Rights Share for every six (6) existing IOIPG Shares had duly completed following the listing and quotation of 539,835,787 new ordinary shares on the Main Market of Bursa Malaysia on 9 February 2015. The total gross proceeds raised from the rights issue were amounted to RM1,025,688,000.

**f) Dividends Paid**

On 29 October 2014, the Company paid an interim single-tier dividend of 8 sen per ordinary share amounting to RM259,121,000 in respect of the financial year ended 30 June 2014.



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**Interim Report For The Financial Period Ended 31 March 2015**

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**Explanatory Notes**

**g) Segment Revenue & Results**

(RM'000)	Property Development	Property Investment	Leisure & Hospitality	Other Operations	Elimination	Consolidated
<b><u>9 Months Ended 31/03/15</u></b>						
<b>REVENUE</b>						
External	1,053,625	127,749	80,874	29,916	-	1,292,164
Inter-segment	134,548	1,521	918	281,283	(418,270)	-
Total revenue	<u>1,188,173</u>	<u>129,270</u>	<u>81,792</u>	<u>311,199</u>	<u>(418,270)</u>	<u>1,292,164</u>
<b>RESULT</b>						
Segment operating profit	371,508	61,674	14,327	20,985	-	468,494
Fair value gain on investment properties	-	178,335	-	-	-	178,335
Share of results of associates	-	-	-	1,039	-	1,039
Share of results of joint ventures	(6,764)	-	-	-	-	(6,764)
Segment results	<u>364,744</u>	<u>240,009</u>	<u>14,327</u>	<u>22,024</u>	<u>-</u>	<u>641,104</u>
Interest income						34,485
Interest expense						(31,524)
Profit before taxation						<u>644,065</u>
Taxation						(147,553)
Profit for the period						<u>496,512</u>
<b><u>9 Months Ended 31/03/14</u></b>						
<b>REVENUE</b>						
External	895,149	76,856	35,043	30,228	-	1,037,276
Inter-segment	82,935	1,378	188	287,176	(371,677)	-
Total revenue	<u>978,084</u>	<u>78,234</u>	<u>35,231</u>	<u>317,404</u>	<u>(371,677)</u>	<u>1,037,276</u>
<b>RESULT</b>						
Segment operating profit	337,478	49,676	3,506	18,389	-	409,049
Share of results of associates	1,990	-	-	2,005	-	3,995
Share of results of joint ventures	50,255	-	-	-	-	50,255
Segment results	<u>389,723</u>	<u>49,676</u>	<u>3,506</u>	<u>20,394</u>	<u>-</u>	<u>463,299</u>
Gain on bargain purchase for the acquisition of subsidiaries						197,966
Interest income						26,582
Finance cost						(32,919)
Profit before taxation						<u>654,928</u>
Taxation						(144,703)
Profit for the period						<u>510,225</u>

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





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## **Interim Report For The Financial Period Ended 31 March 2015**

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### **Explanatory Notes**

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

There were no material events subsequent to the end of financial period save for following the expiry of the three (3) months period for the seller and purchaser to obtain the foreign investment approval from the Investment Commission (FIA) of Taiwan, the share sale agreements for the proposed acquisitions by IOI Properties Group Berhad or its nominee(s) of 37.17% stake in Taipei Financial Center Corporation was terminated.

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

There were no material changes in the composition of the Group during the financial period ended 31 March 2015 save for the acquisition of additional 5.2% of the issued and paid-up ordinary shares and 6.5% of the issued and paid-up cumulative redeemable preference shares in an associate, Continental Estate Sdn. Bhd. ("CESB") for a total consideration of RM20.8 million. Upon completion of this acquisition, the Group owns 29.3% of the equity interest in CESB.

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

There were no material contingent liabilities for the Group as at 31 March 2015.



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## Interim Report For The Financial Period Ended 31 March 2015

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

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

##### (a) Performance of the current year quarter against the preceding year corresponding quarter

The Group recorded revenue and operating profit of RM468.4 million and RM146.9 million respectively for the current year quarter under review, which is RM102.6 million or 28% and RM42.0 million or 40% respectively higher than the preceding year corresponding quarter. The increase in both revenue and operating profit is contributed from all operating segments. The details are as follows:-

##### Property development

The Group's current year quarter revenue and the operating profit of approximately RM370.2 million and RM106.7 million represented 22% and 33% respectively improvement over the preceding year corresponding quarter. The increase in revenue is mainly due to higher progress work and sales from the Group's ongoing and completed development projects and the recent launched of our new township at Bandar Puteri Bangi which has received overwhelming response. The increase in operating profit is mainly contributed from higher sales of properties in Klang Valley especially in commercial properties sub-segment.

##### Property investment

Revenue and operating profit of RM57.3 million and RM20.9 million respectively were registered in the current year quarter, which were RM28.2 million and RM3.3 million respectively higher than the preceding year corresponding quarter. The increase is mainly due to higher contribution from the retail segment. The retail segment, being the largest contributors in term of revenue and operating profit, will continue to thrive growth for property investment segment.

##### Leisure, hospitality and other operations

Revenue and operating profit of RM41.0 million and RM19.3 million respectively were registered in the current year quarter, which were RM7.7 million and RM12.1 million respectively higher than the preceding year corresponding quarter. Leisure and hospitality segment enjoyed strong performance and has recorded an increase in revenue and operating profit by RM9.1 million or 40% and RM9.3 million or 919% respectively. The increase is mainly contributed from new business operations such as Fourpoint Sheraton Puchong, District 21 and Icescape Ice Rink at IOI City Mall that have commenced business towards end of second quarter. In addition, our existing hotel business in IOI Resort City have also picked up in the current quarter.

##### (b) Performance of the current year to date against the preceding year corresponding period

The Group registered revenue of approximately RM1,292.2 million and operating profit of approximately RM646.8 million for the current year-to-date as compared to revenue of RM1,037.3 million and operating profit of RM607.0 million for the preceding year corresponding period. This represented 25% and 7% improvement in revenue and operating profits respectively as compared to preceding year corresponding period. The increase in both revenue and operating profit is contributed from all operating segments. The increase in both revenue and operating profit for property development is mainly due to higher progress works and sales from the Group's ongoing and completed development projects. For property investment, the increase is derived from higher contribution in the retail segment. As for leisure, hospitality and other operations, the increase is mainly due to the new opening of Four Point Sheraton, Puchong, District 21 and Icescape Ice Rink at IOI City Mall and the steady growth of our existing hotel business.

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

The Group recorded profit before tax of RM163.0 million for the current quarter under review, which is RM7.4 million or 5% higher than the immediate preceding quarter of RM155.6 million (after excluding fair value gain of RM178.3 million related to IOI City Mall). The increase is mainly due to net increase in interest income that derived from the proceeds of rights issue and capitalisation of the interest expenses in compliance with FRS 123 Borrowing Costs that partly offset with higher marketing, selling and administration expenses.



# IOI PROPERTIES GROUP BERHAD (1035807-A)

(Incorporated in Malaysia)

## IOI PROPERTIES

### Interim Report For The Financial Period Ended 31 March 2015

(The figures have not been audited)

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

##### 3) Prospects

The Malaysian property market remains challenging with concerns on the banks' credit tightening measures and the implementation of Goods and Services Tax ("GST").

The Group will continue to focus on affordable housing and landed properties in our existing and new townships. With its wide geographical presence in Malaysia, the Group has greater flexibility to roll out new products in line with market demand to support the Group's long term growth strategies. Internationally, the Group is targeting to launch its residential properties in IOI Palm City, its second mixed development project in Xiamen PRC during the last quarter of this financial year. In addition, the Group is expected to generate higher income stream from its property investment segment. 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.

##### 6) Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	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	43,213	43,723	123,813	117,163
-Prior year	(2,777)	(27)	(3,430)	8,384
Deferred taxation				
-Current year	11,045	(19,403)	26,886	19,203
-Prior year	4	61	284	(47)
	<b>51,485</b>	<b>24,354</b>	<b>147,553</b>	<b>144,703</b>

The effective tax rate of the Group for the current quarter of 32% is higher than the prevailing statutory rate of 25%. The higher effective tax rate is mainly due to higher tax rate in foreign operations.



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IOI PROPERTIES

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#### 7) Corporate Proposals

- (a) **Proposed renounceable rights issue of 539,835,787 new ordinary shares of RM1.00 each in IOIPG ("IOIPG Shares") ("Rights Shares") at an issue price of RM1.90 per Right Share on the basis of one (1) Rights Share for every six (6) existing IOIPG Shares ("Rights Issue")**

The Rights Issue had duly completed following the listing and quotation of 539,835,787 new ordinary shares on the Main Market of Bursa Malaysia on 9 February 2015. The total gross proceeds raised from the Rights Issue were amounted to RM1,025,688,000. The status of the utilisation of proceeds as at 31 March 2015 is as follows:-

Details of utilisation	Approved utilisation RM'mil	Actual utilisation RM'mil	Balance unutilised RM'mil	Timeframe for utilisation
Capital expenditure	500.0	218.9	281.1	Within 18 months
Investment opportunities	200.0	-	200.0	Within 24 months
Working capital	324.8	324.8	-	Within 18 months
Estimated expenses in relation to the Rights Issue	0.9	0.9	-	Within 6 months
	<u>1,025.7</u>	<u>544.6</u>	<u>481.1</u>	

- (b) **Proposed establishment of an employees' share option scheme ("ESOS") of up to ten percent (10%) of the issued and paid-up share capital of IOIPG ("Proposed ESOS" or the Scheme")**

The Group had submitted to Bursa Securities all the necessary documents for the implementation of the ESOS on 8 May 2015. The effective date for the ESOS is 8 May 2015.

- (c) **Proposed acquisition by IOIPG or its nominee(s) of 37.17% stake in Taipei Financial Center Corporation for a total cash consideration of NT\$25.14 billion (RM2.74 billion) ("Proposed Acquisition")**

<b>Proposed Acquisitions</b>	<p>On 5 December 2014, IOIPG had entered into conditional share sale agreements ("Share Sale Agreements") to acquire 546,460,486 ordinary shares of NT\$10 each representing 37.17% interest in TFCC, which owns the Taipei 101 building from the following parties:-</p> <p>(a) purchase of 55,000,000 ordinary shares of NT\$10 each representing 100% interest in Ting Gu Development Co Ltd. ("Ting Gu") from Golden Shine International Holding Ltd for a consideration of NT\$3.61 billion. Ting Gu holds 78,450,000 ordinary shares of NT\$10 each representing 5.34% interest in TFCC;</p> <p>(b) purchase of 4,410,000 ordinary shares of NT\$10 each representing 0.3% interest in TFCC from Ting An Ltd for a consideration of NT\$0.2 billion;</p> <p>(c) purchase of 385,976,304 ordinary shares of NT\$10 each representing 26.25% interest in TFCC held by Ting Ji Development Co Ltd for a consideration of NT\$17.76 billion; and</p> <p>(d) purchase of 77,624,182 ordinary shares of NT\$10 each representing 5.28% interest in TFCC held by Ting Li Development Enterprises Co Ltd for a consideration of NT\$3.57 billion.</p> <p>(collectively to be defined as "Proposed Acquisition")</p> <p>The total cash consideration for the Proposed Acquisitions is approximately NT\$25.14 billion (RM2.74 billion).</p>
<b>Status</b>	<p>Following the expiry of the three (3) months period for the seller and purchaser to obtain the foreign investment approval from the Investment Commission (FIA) of Taiwan, the share sale agreements for the proposed acquisitions by IOI Properties Group Berhad or its nominee(s) of 37.17% stake in Taipei Financial Center Corporation has terminated. The Company had received the refund of deposits from the seller.</p>



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**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 31 March 2015 are as follows:

	RM'000
<b>Long term borrowings</b>	
Unsecured	
Denominated in RM	2,238,344
Denominated in SGD (SGD200 million)	539,660
	<b>2,778,004</b>
 <b>Total borrowings</b>	<b>2,778,004</b>

**9) Derivative Financial Instruments**

There is no material outstanding derivative financial instrument at the end of the reporting period.

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

There is no fair value changes of financial liabilities as at the end of the reporting period.

**11) Realised and Unrealised Profits/(Losses)**

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

	RM'000
<b>Total retained profits of IOI Properties Group Berhad and its subsidiaries:</b>	
- Realised	3,977,139
- Unrealised	1,209,105
	<b>5,186,244</b>
 <b>Total share of retained earnings/(accumulated losses) from associates:</b>	
- Realised	7,831
- Unrealised	(195)
	<b>7,636</b>
 <b>Total share of accumulated losses from joint ventures</b>	
- Realised	(65,680)
- Unrealised	(41,187)
	<b>(106,867)</b>
 <b>Total Group retained profits</b>	<b>5,087,013</b>



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

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

	<b>CURRENT YEAR QUARTER (31/03/15)  RM'000</b>	<b>CURRENT YEAR TO DATE (31/03/15)  RM'000</b>
Fair value gain on investment properties	-	(178,335)
Interest income	(15,177)	(34,485)
Impairment losses on receivables written back	(260)	(841)
Interest expense	(8,862)	31,524
Depreciation and amortisation	8,810	21,233

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**

No dividend has been declared by the Board for the financial quarter ended 31 March 2015.



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**15) Earnings per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	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	<b>107,760</b>	89,111	<b>489,109</b>	500,345
Weighted average number of ordinary shares in issue ('000)	<b>3,538,924</b>	3,239,015	<b>3,337,525</b>	3,239,015
Basic earnings per share (sen)	<b>3.04</b>	2.75	<b>14.65</b>	15.45
<b>b) Diluted earnings per share</b>				
Net profit for the period	<b>107,760</b>	89,111	<b>489,109</b>	500,345
Weighted average number of ordinary shares in issue ('000)	<b>3,538,924</b>	3,239,015	<b>3,337,525</b>	3,239,015
Diluted earnings per share (sen)	<b>3.04</b>	2.75	<b>14.65</b>	15.45

**16) Audit Qualification**

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

By Order of the Board

**Tan Choong Khiang**  
Company Secretary

Putrajaya  
14 May 2015