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INVESTOR UPDATE

31 December 2007

4th

QUARTER REPORT

PPB GROUP BERHAD

FROM THE DESK OF THE CHAIRMAN

Dear Shareholders, 3 March 2008

I am pleased to announce that PPB Group performed well for the financial year ended 31 December 2007 and the results are in line with our expectations.

PPB Group Berhad's continuing operations posted a higher unaudited consolidated pre-tax profit of RM576.6 million which includes a significant contribution amounting to RM226 million from Wilmar International Limited as a result of our equity accounting of Wilmar's profits. PPB Group's current equity interest in Wilmar is 18.33%. Higher export sales of sugar and improved selling prices of specialty flour, animal feed and farm products also contributed to the higher profits.

Group revenue for its continuing operations increased to RM2.989 billion, up 15% from RM2.59 billion principally due to higher sales volume of sugar especially for the export market and improved prices of specialty flour and animal feed products due to the rise of commodity prices.

Profit for 2007 increased substantially to RM7.015 billion from RM694 million arising from a one-off gain of RM6.346 billion from the sale of discontinued operations of PPB Oil Palms Berhad (PPBOP), PGEO Group Sdn Bhd (PGEO) and Kuok Oils and Grains Pte Ltd (KOG) to Wilmar. Accordingly, profit attributable to shareholders of the Company increased to RM6.986 billion from RM561 million and earnings per share increased to 589.26 sen compared with 47.29 sen for last year.

DIVIDENDS

The Board of Directors recommended a final dividend of 25 sen per share less 26% income tax for the financial year ended 31 December 2007, and together with the interim dividend of 5 sen per share less 27% income tax paid on 28 September 2007, the total dividend paid and payable to-date for the financial year ended 31 December 2007 is 5 sen per share less 27% income tax and 25 sen per share less 26% income tax (2006: 5 sen per share less 28% income tax and 15 sen per share less 27% income tax).

Total net dividend for the year 2007 would amount to RM262.6 million as compared with RM172.5 million in the year 2006, representing an increase of 52%.

CSR ACTIVITIES

PPB Group's employees initiated a charity project called "Feed the Poor" during 2007's Aidilfitri season. Solely on a voluntary basis, staff contributed non-perishable food and household items for distribution to underprivileged families in the Klang Valley.

PPB also organized a visit to the Forest Research Institute Malaysia (FRIM), Kepong for its staff and fifty-two (52) children from the Yayasan Sunbeams Home of Kuala Lumpur on 1 December 2007 to encourage and nurture the importance of appreciation of nature and environment.

During the last quarter, the staff of FFM Marketing Sdn Bhd (FMSB), a wholly owned subsidiary of PPB Group, visited United Voice, an organization that aims to train people with learning disabilities to speak for themselves (self advocacy) and Good Samaritan Home, an orphanage located in Klang.

GOING FORWARD

For 2008, the business environment is expected to be complex with rising raw sugar and wheat prices whilst ocean freight rates remain volatile. The management of PPB Group has and will continue to overcome these challenges and we are optimistic that the results for 2008 will be comparable to 2007.

Datuk Oh Siew Nam
Chairman

HAPPENINGS

OPENING OF NEW GSC CINEMAS

In the 4th quarter of 2007, Golden Screen Cinemas Sdn Bhd (GSC), a 98.9% subsidiary of PPB Group, continued its expansion with the opening of its new multiplexes in Penang and Kuala Lumpur.

GSC Sunway Carnival Mall in Seberang Jaya, Penang, costing RM8 million, was launched in early October 2007. The 8-screen multiplex seats about 1,426 movie-goers, especially catering to the mainland Penang market right to Kulim, Sungai Petani and beyond. The new cinema will complement GSC's other cinemas in the north, such as GSC Queensbay Mall, GSC Gurney Plaza, GSC Sungai Petani, GSC Bukit Mertajam and GSC Ipoh Parade.

The much anticipated GSC Pavilion in Jalan Bukit Bintang, Kuala Lumpur opened for business on 29 November 2007. GSC invested RM29 million in the 13-screen multiplex which seats up to 1,899 movie-goers, to ensure that movie fans have wider choices of movies. GSC also incorporated facilities such as a 38-seater Gold Class hall with attached lounge, THX certified halls and access ramps to cinema halls for the disabled. The new location will complement GSC's existing GSC Berjaya Times Square in the Golden Triangle.

The final cinema opening of the year was GSC Signature at The Gardens, Mid Valley. The new innovative boutique cinema was launched on 5 December 2007, and embodies GSC's desire to deliver an exclusive and unique cinema experience to its well-heeled patrons. The RM19 million 7-screen multiplex offers only Gold and Premiere Class halls which are fitted with full leather recliner seats with electronic reclining controls and Paragon Milano twin seats respectively to cater to customers with a penchant for premium entertainment. In addition, GSC Signature has three food and beverage outlets to meet the lifestyle requirements of today's movie-goers.

DIRECTORS' CONTINUING EDUCATION PROGRAMME

The second training session of PPB's 2007 in-house Directors' Continuing Education Programme ("DCEP") was conducted on 5 November 2007. The training session which was attended by both the directors and senior management of PPB and its subsidiary companies serves to enhance the understanding, knowledge and skills of the directors to facilitate the efficient discharge of their responsibilities.

Ms Suhnylla Kler spoke on the topic "Audit Committee and Accounting Manipulation" covering the latest 2007 developments on the role of audit committees, the impact of new standards on compliance programmes and corporate governance and issues relating to creative accounting. Mr Tan Teong Boon, Company Secretary of PPB, traced the history of PPB with highlights from the time of its establishment in November 1968 to what PPB is today.

The final presentation was by Mr John Zinkin on "Corporate Social Responsibility", which included topics like making profit the responsible way, creating value for stakeholders and reporting sustainability and triple bottom line.

REALPOWER ENERGY DRINK

In August 2007, FFM Marketing Sdn Bhd (FMSB), PPB Group's wholly owned subsidiary, has been appointed Malaysia's sole distributor of Realpower Energy Drink by Realpower Sdn Bhd.

Realpower is the official energy drink of the famous Real Madrid football club. The product comes in trendy slim cans of black and white, the colours of the football club. The Realpower Black with its stronger taste is specially formulated for regular users of energy drinks, while the Realpower White will appeal to light users, especially ladies.

CSR ACTIVITIES

FMSB STAFF SPEND TIME WITH THE UNDERPRIVILEGED

FFM Marketing Sdn Bhd (FMSB), a wholly owned subsidiary of PPB Group, organized two CSR events for the community in the last quarter of 2007. On 24 November 2007, FMSB staff made a visit to United Voice, which is based in Petaling Jaya. United Voice is an organization that aims to train people with learning disabilities to speak for themselves (self advocacy). Currently with 80 trainees, the concept of self advocacy is based on the belief that persons with learning disabilities; which include persons with Down Syndrome, Autism, Attention Deficit Hyperactivity Disorder, Cerebral Palsy, Dyscalculia, and Global Development Delay; are their own best advocates to tell others about themselves and their needs.

On the day of the visit, FMSB staff paired up with United Voice trainees to make Christmas and Chinese New Year cards and cakes. The card and cake - making sessions are important to the trainees as it prepares them to be financially independent for the real working world. The cards and cakes are also sold to the public to raise funds for the centre and their activities.

FMSB contributed products distributed by them like flour, eggs, cooking oil, colouring and flavouring to United Voice during the visit.

On 15 December 2007, FMSB visited Good Samaritan Home to celebrate the Christmas season with the children at the home. It was FMSB's second visit to the home which is located in Klang.

Each staff involved in the event sponsored personalized gifts for each of the 28 children at the home, ranging from 1 to 17 years old. It was very special because each child's gift was individually wrapped by the staff sponsoring the gift accompanied with personalized greetings for the season from the sponsor to the blessed child, whose name was written on the gift. In this way, both FMSB staff and the children were able to identify with one another, thus giving the staff a sense of involvement and also establishing a bond between them.

FEED THE POOR PROJECT

The “Feed the Poor” project is a PPB-employees charity initiative that started off during 2007's Aidilfitri season. Solely on a voluntary basis, staff contributed non-perishable food and household items for distribution to underprivileged families in the Klang Valley. Children of the staff members were also encouraged to participate in this activity, in the hope of cultivating a giving nature from young.

In early October 2007, 10 underprivileged families in Klang Valley were selected for this project. PPB staff in groups of twos visited the families bringing bags of goodies and dinner to break fast (“buka puasa”) together with them in their homes in honour of the fasting month.




LOVE AND PROTECT THE NATURE - VISIT TO FRIM WITH YAYASAN SUNBEAMS HOME

Experts contend about the cause and effects of various environmental issues; from ozone depletion, global warming, and destruction of natural habitat, to overpopulation and pollution. However, the one thing that is generally agreed upon is the importance of preserving the environment. Caring about the environment is not only the responsibility of rich nations and the government, but everybody's, and thus it is crucial to nurture this sense of duty and appreciation of the nature and environment from a young age.

It is with this aim that PPB Group Berhad (PPB) organized a visit to the Forest Research Institute Malaysia (FRIM), Kepong for its staff and fifty-two (52) children from the Yayasan Sunbeams Home of Kuala Lumpur on 1 December 2007.

There were many visitors to FRIM that Saturday morning; joggers, cyclists, as well as some tourists; all enjoying the unpolluted air, cooler temperatures and quiet serenity offered by the forest reserve which was once degraded land in the form of sterile mining pool, scrubby wasteland and barren vegetable farms.

The children and PPB staff visited the museum, and had a good time during the nature walk facilitated by volunteers from the Malaysian Nature Society (MNS) and guides from FRIM.

After the nature walk, the children were treated to a scrumptious buffet lunch at the picnic area. More importantly, the children were given an interesting talk on why each and everyone of us has a part to play in protecting the environment for the future generation, complete with fun games which were based on nature and environment-related themes. PPB contributed food and household items that it markets to the Home and presented each child with a Christmas present.

The half day event themed “Love and Protect Our Nature” was a fun filled occasion. For city dwellers like most of the children and PPB staff, it is a rare opportunity to get away from the hustle and bustle of city life, and to really appreciate the importance and benefits of preserving the nature.

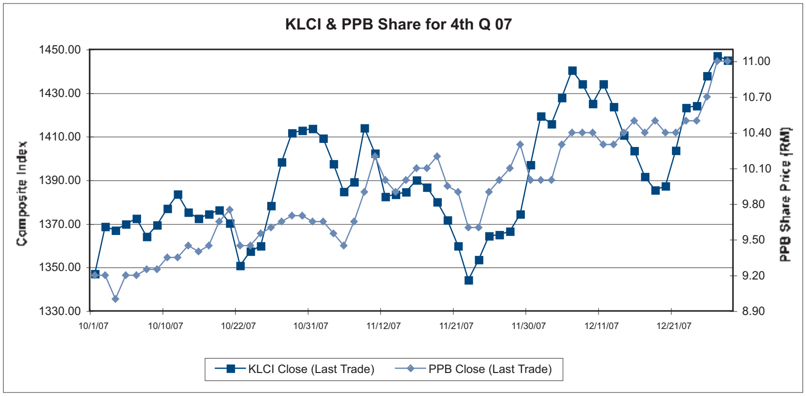
4th Quarter Share Analysis

After sustaining a loss of 1.3% in 3Q2007, the Kuala Lumpur Composite Index (KLCI) rebounded to post a gain of 8.1% to 1,445 points in 4Q2007. Commencing the quarter at 1,339.4 points, the KLCI passed the 1,400 point level in late October on expectations that the U.S. Federal Reserve will cut interest rates for the second consecutive month. The index subsequently fell to a 2-month low of 1,338.1 points in tandem with global and regional markets on concerns over slowing global economic growth amid tighter credit conditions and high oil prices. However, buying of selected heavyweight index stocks towards the year end propelled the KLCI to a record intra-day high of 1,452.6 points on 31st December before closing at 1,445.0 points to register a gain of 8.1% for the quarter. [Source: Public Mutual website (www.publicmutual.com.my)]

PPB share price outperformed the KLCI to close 19.57% higher at RM11.00 on 28 December 2007 compared with RM9.20 in the preceding quarter. Market capitalization of PPB shares increased to RM13 billion even though PPB's daily average volume in the quarter fell by 26.87% to 818,589 shares.

PPB Share & Kuala Lumpur Composite Index Performance For 4th Quarter 2007

	4th Q 2007	3rd Q 2007	% change
PPB share price			
Closing price (high)	11.00	9.20	19.57%
Closing price (low)	9.00	6.20	45.16%
Month end closing price	11.00	9.20	19.57%
Weighted share price	9.92	7.52	31.91%
Market capitalization (RM' million)	13,040.50	10,906.60	19.57%
PPB share volume			
Daily volume (high)	3,553,800	3,186,900	11.51%
Daily volume (low)	120,200	172,700	-30.40%
Average daily volume	818,589	1,119,352	-26.87%
Kuala Lumpur Composite Index (KLCI)			
KLCI closing (high)	1,447.04	1,392.18	3.94%
KLCI closing (low)	1,344.16	1,191.55	12.81%
KLCI month end closing	1,445.03	1,336.30	8.14%
Kuala Lumpur Composite Index (KLCI) volume			
Daily volume (high)	291,790,800	457,989,100	-36.29%
Daily volume (low)	116,242,300	87,764,900	32.45%
Average daily volume	180,388,990	209,428,752	-13.87%



FINANCIAL STATISTICS

FOR THE 4TH QUARTER OF 2007

(The figures have not been audited)

Financial period ended *(All figures in RM million)*	12 MONTHS 31.12.07	31.12.06 (Restated)	Change %
INCOME STATEMENTS			
Continuing operations			
Revenue	2,989	2,591	15.4
Profit from operations	277	221	25.3
Profit before taxation	577	392	47.2
Profit for the period from continuing operations, net of tax	501	327	53.2
Discontinued operations			
Revenue	3,165	8,929	(64.6)
Profit from operations	130	363	(64.2)
Profit before taxation	200	448	(55.4)
Profit for the period from discontinued operations, net of tax	6,514	368	>100.0
Group total			
Revenue	6,154	11,520	(46.6)
Profit from operations	407	584	(30.3)
Profit before taxation	777	840	(7.5)
Profit for the year	7,015	695	>100.0
Profit attributable to Shareholders of the Company	6,986	561	>100.0
BALANCE SHEET			
Non-current assets	10,237	4,271	>100.0
Current assets			
Cash and bank deposits	701	763	(8.1)
Assets of disposal group/Non-current assets classified as held for sale	9	0	>100.0
Others	1,050	2,255	(53.4)
Total current assets	1,760	3,018	(41.7)
Total assets	**11,997**	**7,289**	**64.6**
Equity			
Share capital	1,186	1,186	0.0
Reserves	10,257	3,459	>100.0
Equity attributable to Shareholders of the Company	11,443	4,645	>100.0
Minority interests	137	886	(84.5)
Total equity	11,580	5,531	>100.0
Non-current liabilities			
Bank borrowings	20	334	(94.0)
Others	69	303	(77.2)
Total non-current liabilities	89	637	(86.0)

Financial period ended (All figures in RM million)		12 MONTHS 31.12.07	31.12.06 (Restated)	Change %
Current liabilities				
Bank borrowings		36	357	(89.9)
Others		292	764	(61.8)
Total current liabilities		328	1,121	(70.7)
Total liabilities		417	1,758	(76.3)
Total equity and liabilities		**11,997**	**7,289**	**64.6**
RATIOS				
Return on equity attributable to shareholders of the Company	(%)	61.1	12.1	
Earnings per share	(sen)	589.0	47.3	
Interest coverage	(times)	56.5	26.7	
Current ratio	(times)	5.4	2.7	
Total borrowings/Equity	(%)	0.5	12.5	
Long term borrowings/Equity	(%)	0.2	6.0	
Net assets per share attributable to shareholders of the Company	(RM)	9.6	3.9	
Net assets per share	(RM)	9.8	4.7	
Net dividend per share	(sen)	22.1	14.5	
STOCK MARKET INFORMATION				
Share price	(RM)	11.00	5.45	
Market capitalisation	(RM million)	13,046	6,464	
PE ratio*	(times)	20.40	11.52	

* Exclude the one-time gain from disposal of PPB Oil Palms Bhd, PGEP Group Sdn Bhd and Kuok Oils & Grains Pte Ltd amounting to RM6.346 billion.

ANNOUNCEMENTS

24 OCTOBER

PPB, had on 23 October 2007 completed the disposal of its entire 55% equity interest in Ampang Leisuremall Sdn Bhd ("ALSB") comprising 33,000,000 ordinary shares of RM1.00 each to Huatland Development Sdn Bhd for a total cash consideration of RM21.12 million and ALSB had ceased to be a subsidiary of PPB.

29 NOVEMBER

Release of 3rd Quarterly Report for the period ended 30 September 2007.

7 DECEMBER

Kerry Utilities Limited, an indirect subsidiary of PPB, acquired one (1) share of par value HK$2.00, representing the entire issued capital in Navi Pier Limited ("Navi Pier") for a cash consideration of HK$1.00 ("the Acquisition"). Arising from the Acquisition, Navi Pier has become an indirect subsidiary of PPB. Navi Pier's principal activity is investment holding.

14 DECEMBER

Chemquest Sdn Bhd, a 55% subsidiary of PPB, had written-off a sum of RM73,677,990.51 owing by its wholly-owned subsidiary, Chemquest (Overseas) Limited.

31 DECEMBER

Mr Tan Yew Jin was re-designated from "Non-Independent Executive Director" to "Non-Independent Non-Executive Director" on the Board of PPB.

QUARTERLY REPORT

CONDENSED CONSOLIDATED INCOME STATEMENTS For The Year Ended 31 December 2007

(The figures have not been audited)

	Individual Quarter *3 months ended* 31 December		Cumulative Quarter *12 months ended* 31 December	
	2007	*2006*	*2007*	*2006*
	RM'000	*RM'000*	*RM'000*	*RM'000*
		(Restated)		*(Restated)*
<u>Continuing operations</u>				
Revenue	810,885	671,213	2,989,442	2,590,526
Operating expenses	(744,773)	(622,569)	(2,734,410)	(2,388,707)
Other operating income	4,275	5,958	22,446	19,298
Profit from operations	70,387	54,602	277,478	221,117
Net profit from investing activities	(18,775)	18,700	74,024	146,145
Share of associated companies' profits less losses	84,277	8,833	229,235	29,572
Share of joint ventures' profits less losses	(214)	(84)	312	311
Finance costs	(1,007)	(1,514)	(4,443)	(5,105)
Profit before taxation	134,668	80,537	576,606	392,040
Taxation	(14,902)	(17,653)	(75,611)	(65,441)
Profit for the period from continuing operations	119,766	62,884	500,995	326,599
<u>Discontinued operations</u>				
Profit for the period from discontinued operations, net of tax	-	121,564	6,514,187	367,651
Profit for the period	119,766	184,448	7,015,182	694,250
Attributable to :-				
Shareholders of the Company	132,221	153,166	6,985,635	560,665
Minority interests	(12,455)	31,282	29,547	133,585
Profit for the period	119,766	184,448	7,015,182	694,250
Basic earnings per share (sen) :-				
- continuing operations	11.16	5.30	43.02	23.77
- discontinued operations	-	7.62	546.24	23.52
	11.16	12.92	589.26	47.29

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to this report.)

QUARTERLY REPORT

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 31-Dec-2007 RM'000	*As at 31-Dec-2006 RM'000 (Restated)*
ASSETS		
Non-current Assets		
Property, plant and equipment	810,852	1,371,250
Investment properties	163,835	206,204
Biological assets	2,681	921,038
Prepaid lease payments	131,635	562,139
Goodwill on consolidation	73,033	33,316
Other intangible assets	2,977	3,254
Land held for property development	3,693	437
Investment in associated companies	8,587,695	738,480
Interests in joint ventures	39,403	39,050
Other investments	419,699	388,653
Deferred tax assets	1,431	7,098
	10,236,934	4,270,919
Current Assets		
Inventories	489,902	956,951
Biological assets	21,339	48,562
Other intangible assets	9,476	9,221
Property development costs	28,684	52,614
Receivables	500,243	1,187,748
Cash, bank balances and deposits	700,658	762,712
	1,750,302	3,017,808
Assets of disposal group/Non-current assets classified as held for sale	9,479	195
	1,759,781	3,018,003
TOTAL ASSETS	11,996,715	7,288,922
EQUITY AND LIABILITIES		
Equity		
Share capital	1,185,500	1,185,500
Reserves	10,256,935	3,459,184
Equity attributable to shareholders of the Company	11,442,435	4,644,684
Minority interests	137,288	886,641
Total equity	11,579,723	5,531,325

QUARTERLY REPORT

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 31-Dec-2007 RM'000	As at 31-Dec-2006 RM'000 (Restated)
Non-current Liabilities		
Long term borrowings	20,504	334,176
Deferred tax liabilities	68,823	302,535
	89,327	636,711
Current Liabilities		
Payables	280,218	720,558
Short term borrowings	36,471	356,665
Taxation	10,976	43,643
	327,665	1,120,866
Liabilities directly associated with assets classified as held for sale	-	20
	327,665	1,120,886
Total liabilities	416,992	1,757,597
TOTAL EQUITY AND LIABILITIES	11,996,715	7,288,922
Net assets per share attributable to shareholders of the Company (RM)	9.65	3.92
Net assets per share (RM)	9.77	4.67

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to this report.)

QUARTERLY REPORT

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS For The Year Ended 31 December 2007

	2007 RM'000	2006 RM'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		
Continuing operations	576,606	392,040
Discontinued operations	199,541	448,025
	776,147	840,065
Adjustments :-		
Non-cash items	(170,967)	(69,724)
Non-operating items	(72,178)	(24,019)
Operating profit before working capital changes	533,002	746,322
Working capital changes		
Net change in current assets	(319,018)	(566,543)
Net change in current liabilities	67,435	240,080
Cash generated from operations	281,419	419,859
Tax paid	(101,561)	(129,000)
Net cash generated from operating activities	**179,858**	**290,859**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment properties, biological assets and other intangible assets	(256,646)	(461,664)
Proceeds from disposal of property, plant and equipment	4,488	7,092
Purchase of investments	(214,703)	(16,747)
Proceeds from sale of investments	53,429	163,515
Redemption of preference shares in an associated company	33,823	-
Dividends received	94,562	44,854
Interest received	25,762	26,874
Repayment from associated companies and joint ventures	1,022	11,666
Subsidiary companies - net cash disposed	(77,765)	-
Other investing activities	3,735	2,117
Net cash used in investing activities	**(332,293)**	**(222,293)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued to minority shareholders of subsidiary companies	10,204	-
Bank borrowings	358,644	190,998
Interest paid	(18,801)	(32,444)
Dividends paid	(190,666)	(217,193)
Other financing activities	(59,082)	9,087
Net cash generated from / (used in) financing activities	**100,299**	**(49,552)**
Net (decrease) / increase in cash and cash equivalents	**(52,136)**	**19,014**
Cash and cash equivalents at 1 January	750,981	735,827
Effect of exchange rate changes	566	(3,860)
Cash and cash equivalents at 31 December	**699,411**	**750,981**
<u>Cash and cash equivalent represented by</u> :-		
Cash & bank	66,338	88,744
Bank deposits	634,285	664,649
Bank overdrafts	(1,212)	(2,412)
	699,411	750,981

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to this report.)

QUARTERLY REPORT

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For The Year Ended 31 December 2007

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000
12 months ended 31 December 2007			
At 1 January 2007	1,185,500	6,715	160,540
Net gains/(losses) recognised directly to equity	-	-	8,011
Profit for the year	-	-	-
Total recognised income and expenses for the period	-	-	8,011
Transfer of reserves	-	-	(107,054)
Disposal of shares in subsidiaries	-	-	-
Acquisition of additional shares in an existing subsidiary	-	-	-
Shares issued to minority shareholders of a subsidiary	-	-	-
Capital reduction by subsidiaries	-	-	-
Dividends	-	-	-
At 31 December 2007	1,185,500	6,715	61,497
12 months ended 31 December 2006			
As previously stated	1,185,500	6,715	162,180
Effects of adopting FRS 3	-	-	-
At 1 January 2006 (restated)	1,185,500	6,715	162,180
Net gains/(losses) recognised directly to equity	-	-	820
Profit for the year	-	-	-
Total recognised income and expenses for the period	-	-	820
Transfer of reserves	-	-	(2,460)
Acquisition of new subsidiaries and additional shares in existing subsidiaries	-	-	-
Capital reduction by subsidiaries	-	-	-
Dividends	-	-	-
At 31 December 2006	1,185,500	6,715	160,540

Non-distributable		Distributable			
Exchange translation reserve RM'000	Capital reserve RM'000	Retained profits RM'000	Attributable to shareholders of the Company RM'000	Minority interests RM'000	Total equity RM'000
(33,901)	175,855	3,149,975	4,644,684	886,641	5,531,325
(144,024)	120,364	848	(14,801)	(4,773)	(19,574)
-	-	6,985,635	6,985,635	29,547	7,015,182
(144,024)	120,364	6,986,483	6,970,834	24,774	6,995,608
(10,776)	(90,581)	208,411	-	-	-
-	-	-	-	(682,778)	(682,778)
-	-	-	-	(29,241)	(29,241)
-	-	-	-	9,175	9,175
-	-	-	-	(53,700)	(53,700)
-	-	(173,083)	(173,083)	(17,583)	(190,666)
(188,701)	205,638	10,171,786	11,442,435	137,288	11,579,723
(15,590)	162,910	2,713,438	4,215,153	803,656	5,018,809
-	-	48,312	48,312	444	48,756
(15,590)	162,910	2,761,750	4,263,465	804,100	5,067,565
(20,422)	11,766	(898)	(8,734)	1,930	(6,804)
-	-	560,665	560,665	133,585	694,250
(20,422)	11,766	559,767	551,931	135,515	687,446
2,111	1,179	(830)	-	-	-
-	-	-	-	(4,463)	(4,463)
-	-	-	-	(2,030)	(2,030)
-	-	(170,712)	(170,712)	(46,481)	(217,193)
(33,901)	175,855	3,149,975	4,644,684	886,641	5,531,325

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to this report.)

A. FRS (Financial Reporting Standards) 134 - Paragraph 16

A1. a) Accounting policies

The interim financial statements of the Group have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") FRS 134 - Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the audited financial statements for the financial year ended 31 December 2006, except for the adoption of the revised FRS 117 : Leases and FRS 124 : Related Party Disclosures from 1 January 2007. The adoption of FRS 117 and FRS 124 does not have any financial impact on the financial statements for the current interim period.

Prior to 1 January 2007, the Group's leasehold land held for own use was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of FRS 117 has resulted in a change in the accounting policy relating to the classification of leases of land as prepaid lease payments. Leasehold land held for own use is now classified as operating lease. The up-front payments for leasehold land represent prepaid lease payments and are amortised on a straight-line basis over the lease term.

Effective 1 January 2007, the Group has applied the change in accounting policy in respect of leasehold land in accordance with the transitional provisions of FRS 117. At 1 January 2007, the unamortised amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments as allowed by the transitional provisions. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively. Certain comparatives in the financial statements have been restated to conform with the current period presentation. There were no effects on the consolidated income statement for the financial year ended 31 December 2006.

	As previously reported RM'000	*Effects RM'000*	*As restated RM'000*
Balance Sheets			
Property, plant and equipment	1,933,389	(562,139)	1,371,250
Prepaid lease payments	-	562,139	562,139

b) Discontinued operations

The discontinued operations in this report have been presented in accordance with FRS 5 : Non-current Assets Held for Sale and Discontinued Operations. Accordingly, the results of PPB Oil Palms Berhad ("PPBOP"), PGEO Group Sdn Bhd ("PGEO") and Kuok Oils & Grains Pte Ltd ("KOG") are disclosed separately in the consolidated income statements as discontinued operations up to the respective dates of completion.

The financial results of the discontinued operations for the year ended 31 December are as follows :-

	Individual Quarter 3 months ended 31 December		Cumulative Quarter 12 months ended 31 December	
	2007 RM'000	2006 RM'000 (Restated)	2007 RM'000	2006 RM'000 (Restated)
Revenue	-	2,571,969	3,164,988	8,929,241
Operating expenses	-	(2,474,661)	(3,055,699)	(8,583,833)
Other operating income	-	6,196	20,673	17,135
Profit from operations	-	103,504	129,962	362,543
Net profit from investing activities	-	804	604	3,189
Share of associated companies' profits less losses	-	42,906	78,525	109,904
Finance costs	-	(8,417)	(9,550)	(27,611)
Profit before taxation	-	138,797	199,541	448,025
Taxation	-	(17,233)	(31,404)	(80,374)
Profit for the year	-	121,564	168,137	367,651
Gains from the disposal of discontinued operations	-	-	6,346,050*	-
	-	121,564	6,514,187	367,651

* The gains from disposal of discontinued operations were reduced by RM47 million from the RM6.393 billion stated in the 3rd quarter announcement. This was due to the realisation of RM47 million capital reserve from the disposal which should be recognised directly to retained profits instead of to the income statement.

A2. Disclosure of audit report qualification and status of matters raised

There was no qualification in the audit report of the preceding annual financial statements.

A3. Seasonal or Cyclicality of Interim Operations

The Group's operations are not materially affected by any seasonal or cyclical factors.

A4. Unusual items affecting assets, liabilities, equity, net income, or cash flow

There were no items of an unusual nature, size or incidence that affect the assets, liabilities, equity, net income and cash flows of the Group during the current period under review.

A5. Nature and amount of changes in estimates

There were no changes in estimates of amounts reported in prior financial years which have a material effect in the current interim period.

A6. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year-to-date.

A7. Dividends paid

Dividends paid on ordinary shares	*Individual Quarter 3 months ended 31-Dec-2007 RM'000*	*Cumulative Quarter 12 months ended 31-Dec-2007 RM'000*
2006 : Final dividend - 15 sen less tax	-	129,812
2007 : Interim dividend - 5 sen less tax	43,271	43,271
	43,271	173,083

A8. Segmental reporting

Segmental information in respect of the Group's business segments for the year ended 31 December 2007

All figures in RM'000 **Information About Business Segments:**	Continuing operations						
	Sugar refining and cane plantation	Grains trading, flour and feed milling	Livestock farming	Packaging	Environmental engineering, waste management and utilities	Film exhibition and distribution	Property investment and development
REVENUE							
External sales	1,089,811	961,871	67,939	48,315	95,300	150,329	87,081
Inter-segment sales	-	80,788	14,257	13,809	-	-	1,328
Total revenue	1,089,811	1,042,659	82,196	62,124	95,300	150,329	88,409
RESULT							
Segment operating results	131,842	126,066	7,214	(8,360)	3,936	22,571	23,198
Unallocated corporate expenses							
Profit from operations							
Investing activities							
Share of associated companies' profits less losses	2,616	10,044	-	-	5,039	1,328	3,424
Share of joint ventures' profits less losses	-	-	-	-	312	-	-
Finance costs							
Profit before taxation							

A9. Valuation of Property, Plant and Equipment

There were no amendments in the valuation of property, plant and equipment brought forward from the previous annual financial statements.

A10. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings, and discontinued operations for the current interim period, except for the following:-

(a) On 5 March 2007, Sitaclean Technologies (M) Sdn Bhd ("Sitaclean"), an indirect wholly-owned subsidiary of PPB, was placed under member's voluntary winding-up. The winding-up is still in progress.

				Discontinued operations					Total operations
Chemicals trading and manufacturing	Other operations	Elimination	Total	Edible oils refining and trading	Oil palm plantations	Packaging	Elimination	Total	
122,226	366,570	-	2,989,442	3,080,979	62,738	21,271	-	3,164,988	6,154,430
1,223	17,294	(128,699)	-	43,574	188,419	-	(231,993)	-	-
123,449	383,864	(128,699)	2,989,442	3,124,553	251,157	21,271	(231,993)	3,164,988	6,154,430
5,192	(13,104)	2,207	300,762	22,037	105,266	2,659	-	129,962	430,724
			(23,284)					-	(23,284)
			277,478					129,962	407,440
			74,024					604	74,628
-	206,784	-	229,235	78,285	240	-	-	78,525	307,760
-	-	-	312	-	-	-	-	-	312
			(4,443)					(9,550)	(13,993)
			576,606					199,541	776,147

A12. Changes in contingent liabilities or contingent assets

	As at 31-Dec-2007 RM'000	As at 31-Dec-2006 RM'000
Contingent liabilities		
Unsecured guarantees issued in consideration of credit facilities given to associated companies	2,550	4,550

Chemquest Sdn Bhd, a 55% owned subsidiary of PPB, has granted unsecured corporate guarantees to a third party in respect of works being carried out by its 70% indirect subsidiary, Cipta Wawasan Maju Engineering Sdn Bhd.

Contingent assets

There were no contingent assets as at the end of the current interim period.

B. BMSB Listing Requirements (Part A of Appendix 9B)

B1. Review of Performance for the current quarter and financial year-to-date

The Group revenue for continuing operations of RM2.99 billion for the year ended 31 December 2007 was 15% higher compared with RM2.59 billion in 2006. The increase was mainly due to higher sales volume generated by the sugar refining division and improved prices of specialty flour and animal feed products.

Group profit before tax for continuing operations of RM577 million was 47% higher compared with RM392 million last year. Wilmar International Limited ("Wilmar") an associate company of the Group since May 2007, contributed RM226 million. Lower raw sugar prices and improved selling prices of specialty flour, animal feed and farm products also contributed to the better results of the Group.

Net profit after tax from the discontinued operations namely PPBOP, PGEO and KOG was capped at RM168 million following their disposal to Wilmar which was completed by end June 2007.

B2. Material changes in the quarterly results compared to the results of the preceding quarter

The Group profit before tax for continuing operations of RM135 million for the quarter under review was substantially lower when compared with the RM238 million generated in the preceding quarter. This was mainly due to a provision made in respect of advances extended to an associated company.

In line with the Group's accounting policy, Wilmar's gain on fair value of biological assets has been excluded from the Group profit. With the exclusion, profit contribution from Wilmar for this quarter was lower compared with the preceding quarter.

B3. Prospects for current financial year

World commodity prices including raw sugar and wheat are on the rise whilst ocean freight rates remain volatile. These factors contribute to a complex business environment in 2008. The management of PPB Group has and will continue to take the necessary steps to meet these challenges.

Overall, the Group's operating results for financial year 2008 are expected to be comparable to that of the previous year.

B4. Variance of actual profit from forecast profit

Not applicable.

B5. Taxation

Tax comprises :-	*Individual Quarter 3 months ended 31-Dec-2007 RM'000*	*Cumulative Quarter 12 months ended 31-Dec-2007 RM'000*
Continuing operations		
Malaysian taxation based on profit for the period:-		
Current	10,000	67,933
Deferred	6,146	8,788
	16,146	76,721
Foreign taxation		
Current	10	10
Deferred	(1,481)	(1,481)
	14,675	75,250
(Over)/underprovision		
Current	594	(483)
Deferred	(367)	844
	14,902	75,611
Discontinued operations		
Malaysian taxation based on profit for the period:-		
Current	-	21,725
Deferred	-	7,206
	-	28,931
Foreign Taxation		
Current	-	2,562
Deferred	-	(94)
	-	31,399
Underprovision		
Current	-	5
Deferred	-	-
	-	31,404

The effective tax rate is lower than the average statutory rate for the period mainly due to gain on sale of investments, tax exempt income and utilisation of reinvestment allowance by certain subsidiaries.

B6. Profit/Loss on sale of unquoted investments and/or properties

There was a gain on sale of unquoted investment amounting to RM19.4 million and there was a loss incurred on the sale of properties amounting to RM291,000 for the current financial year to-date under review.

B7. Quoted securities

(a) Total purchases and disposals of quoted securities for the current quarter and financial period to-date under review were as follows :-

	Individual Quarter 3 months ended 31-Dec-2007 RM'000	*Cumulative Quarter 12 months ended 31-Dec-2007 RM'000*
Total purchases	112	39,291
Total proceeds from disposals	1,855	7,938
Profit on disposals	291	1,587

(b) Total investments in quoted securities as at 31 December 2007 were as follows:-

	RM'000
At cost	420,063
At book value	419,271
At market value	1,310,659

B8. Status of corporate proposals

(a) On 1 November 2006, Mantap Aman Sdn Bhd, an indirect subsidiary of PPB had entered into a joint-venture agreement with Millerstar Pte Ltd, Singapore to construct and operate a wheat flour mill facility at Cilegon, Republic of Indonesia to be undertaken by a joint-venture company called P.T. Pundi Kencana.

The construction of the flour mill is in progress and is expected to be operational by end-2008 based on current schedule.

B9. Group borrowings

Total Group borrowings as at 31 December 2007 were as follows:-

	Total *RM'000*	*Secured* *RM'000*	*Unsecured* *RM'000*
Long term bank borrowings			
Long term bank loans (USD)	4,888	4,888	-
Long term bank loans (CNY)	17,854	-	17,854
Hire purchase liabilities	436	436	-
Hire purchase liabilities (SGD)	77	77	-
Repayments due within the next 12 months	(2,751)	(198)	(2,553)
	20,504	5,203	15,301
Short term bank borrowings			
Short term loans	21,855	-	21,855
Short term loans (USD)	10,653	-	10,653
Current portion of long term loans	2,553	-	2,553
Hire purchase liabilities	188	188	-
Hire purchase liabilities (SGD)	10	10	-
	35,259	198	35,061
Bank overdrafts	1,212	-	1,212
	36,471	198	36,273

B10. Off Balance Sheet Financial Instruments

Foreign Currency Contracts

The Group enters into forward foreign exchange contracts as a hedge for its confirmed sales and purchases in foreign currencies. The purpose of hedging is to protect the Group against unfavourable movement in exchange rate. Gains or losses from changes in the fair value of foreign currency contracts offset the corresponding losses or gains on the receivables and payables covered by the instrument and where the foreign exchange contracts are used to hedge against anticipated future transactions, gains and losses are not recognised until the transaction occurs.

As at 23 February 2008, the Group has hedged outstanding foreign currency contracts that were entered into as hedges for purchases of USD28.7 million equivalent to RM95.6 million. These contracts are short term and majority are due to mature within the next two months.

There is minimal credit risk because these contracts are entered into with licensed financial institutions.

Besides a small fee, there is no cash requirement for these instruments.

B11. Material litigation

There was no material litigation pending as at 23 February 2008.

B12. Dividend

The Board of Directors is pleased to recommend a final dividend for the financial year ended 31 December 2007 of 25 sen per share less 26% income tax (2006 : 15 sen per share less 27% income tax) payable on Friday, 6 June 2008 subject to the approval of shareholders at the 39th Annual General Meeting to be held on Friday, 16 May 2008.

Together with the interim dividend of 5 sen per share less 27% income tax paid on 28 September 2007, the total dividend paid and payable to-date for the financial year ended 31 December 2007 is 5 sen per share less 27% income tax and 25 sen per share less 26% income tax (2006 : 5 sen per share less 28% income tax and 15 sen per share less 27% income tax).

Dividend payment/entitlement date

Notice is hereby given that the final dividend will be payable on Friday, 6 June 2008 to shareholders whose names appear in the Record of Depositors at the close of business on Thursday, 22 May 2008.

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

(I) Shares transferred into the Depositor's securities account before 4.00 pm on Thursday, 22 May 2008 in respect of ordinary transfers, and

(II) Shares bought on the Bursa Malaysia Securities Berhad ("BMSB") on a cum entitlement basis according to the Rules of the BMSB.

Dividends Paid

Dividends paid and payable for the financial year 2006 and up to the date of this report are as follows :-

Financial Year	Type	Rate	Payment Date
2006	Interim dividend	5 sen less 28% income tax	28 September 2006
2006	Final dividend	15 sen less 27% income tax	7 June 2007
2007	Interim dividend	5 sen less 27% income tax	28 September 2007
2007	Final dividend (proposed)	25 sen less 26% income tax	6 June 2008

B13. Earnings per Share

The basic earnings per share has been calculated by dividing the Group's profit from continuing and discontinued operations for the current financial period attributable to the shareholders of the Company by 1,185,499,882 ordinary shares in issue during the period.

There is no diluted earnings per share for the current period or financial period-to-date as there were no dilutive potential ordinary shares.

Kuala Lumpur
29 February 2008

By Order of the Board
Tan Teong Boon
Company Secretary