

INVESTOR UPDATE

1st Quarter Report
31 March 2009



From The Desk of The Chairman

Dear Shareholders,

Since 2002, PPB has been publishing quarterly Investor Updates to keep shareholders abreast of the Group's activities in addition to its financial performance. We hope you find the Updates useful and as always, we welcome suggestions or feedback on how to further improve this publication for the benefit of our readers.

After this 1st quarter Update, we will not be sending out hardcopies to shareholders. However, you can view future publications from our website www.ppbgroup.com. We trust you will appreciate our continuing efforts to care for the environment.

1Q09 RESULTS

For the 1st quarter of 2009, PPB Group's revenue decreased by 4% to RM773 million compared with RM809 million of the corresponding quarter last year. The decrease was mainly due to lower revenue recorded by the flour and animal feed milling, chemicals trading and property investment divisions.

Group profit before tax for the period of RM281 million was 33% lower than that achieved last year of RM417 million due to higher raw material costs incurred by the sugar refining and flour and feed milling divisions. Wilmar International Limited in which PPB Group has 18.3% stake, contributed a profit of RM255 million for the quarter under review.

Earnings per share for the quarter stood at 22.93 sen compared with 32.32 sen per share recorded for the corresponding quarter last year.

The global financial and economic crisis is expected to affect the Group's performance for the rest of 2009 in respect of lower demand and margins for the goods and services offered by PPB Group. In addition, changes in prices of raw materials and ocean freight will be the key factors affecting the Group's profitability. Nevertheless, PPB Group performance for 2009 will remain satisfactory.

From The Desk of The Chairman

HAPPENINGS

PPB held its first Press and Analyst Briefing for the year on 3 March 2009, to review the final results for year 2008 and other latest developments in the Group. The Briefing was well received by analysts, fund managers and members of the press.

CSR ACTIVITIES

In the first quarter of 2009, PPB organized an interactive talk on “Personal Financial Planning” for its employees which was facilitated by OSK Wealth Planners Sdn Bhd. PPB staff also celebrated Chinese New Year with the senior citizens of Amitabha Centre in Kuala Lumpur with a vegetarian buffet lunch followed by a craftwork session.

FFM Marketing Sdn Bhd, a wholly-owned subsidiary of PPB Group, participated in a recent fund-raising event organized by United Voice (UV) by setting up a booth selling FFM’s frozen products to raise funds to finance UV’s new building which will provide facilities for persons with learning disabilities. FFM staff at the flour milling complex in Pulau Indah organized a blood donation campaign which witnessed a total of 41 staff generously contributing their blood for a good cause.

GOING FORWARD

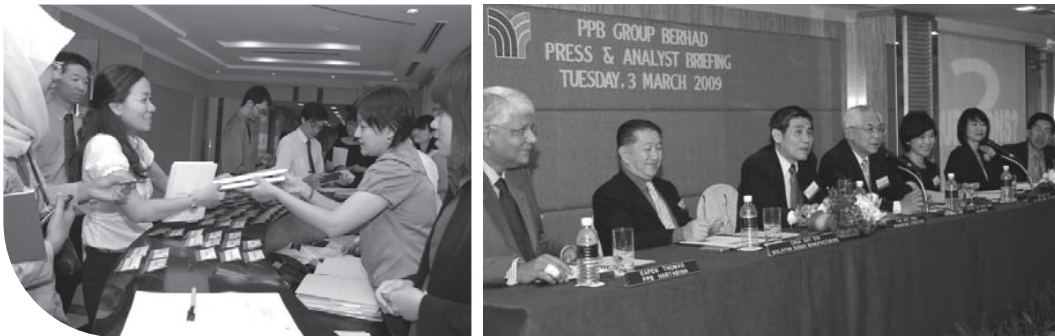
During these challenging economic times, let us make a concerted effort to continue supporting Malaysian products and services and together with the government’s stimulus plans, we can hope to better ride out the global economic crisis.

Datuk Oh Siew Nam

Chairman

19 May 2009

Happenings



PRESS AND ANALYST BRIEFING

On 3 March 2009, PPB held its first Press and Analyst Briefing for the year at Wisma Jerneh which was well attended by 70 analysts and fund managers from various local as well as foreign research houses and securities firms. Present at the Briefing, were also 17 members of the local and foreign press.

The Briefing was held to provide the press and analysts with a review of the Group's financial results for year 2008 as well as an update of its latest developments.

During the Q&A session, PPB's Chairman, Managing Director and the CEOs from the Group's respective divisions dealt with the questions posed by the attendees. A press conference took place thereafter, followed by lunch.

TALK ON PERSONAL FINANCIAL PLANNING

As part of PPB's CSR activities for its employees, an awareness talk on "Personal Financial Planning" was organized on 16 January 2009 at Wisma Jerneh. Mr Alan Chew, Senior Vice President of OSK Wealth Planners Sdn Bhd, conducted the interactive talk which included strategies to ensure one's net worth will continue to grow over time, to seize control of one's cash flow as well as to acquire the nuggets of financial wisdom. The attendees were guided through a hands-on calculation of their financial wealth upon retirement.

Overall, the talk was successful as it jolted some to work on a financial plan for their future and for others, a timely reminder to review their financial plans.

FFM STAFF DONATES BLOOD

On 19 March 2009, FFM organized a blood donation campaign with the joint effort of Tengku Ampuan Rahimah Hospital. The campaign was held at FFM's flour milling complex in Pulau Indah. A total of 41 staff donated their blood on that day after they were screened for fitness. For many of the staff, it was their first experience and they were glad to be able to contribute to a good cause.



CSR Activities

FFM MARKETING RAISES FUNDS FOR UNITED VOICE

FFM Marketing Sdn Bhd (FMSB), a wholly-owned subsidiary of PPB Group, participated in a recent fund-raising event organized by United Voice on 14 March 2009 at Bandar Utama Community Hall. The event was held to raise funds to finance UV's new building which will provide facilities for persons with learning disabilities. During the event, FMSB set up a booth selling nuggets, sausages and burgers produced and marketed by FMSB besides giving free samplings of their products. Feedback on their products was most encouraging. A total fund of RM6,000 was raised by FMSB from the sale of its frozen products. FMSB also contributed products totaling RM4,000 to United Voice.

United Voice is a society advocating persons with learning disabilities to be given the rights to education, employment and be respected as individuals. The members include persons with Down Syndrome, Autism, Attention Deficit Disorder etc. United Voice can be contacted at 03-7958 8069.



PPB CELEBRATES CNY WITH THE SENIOR CITIZENS OF AMITABHA CENTRE

On 21 January 2009, PPB organized a Chinese New Year celebration for 38 senior citizens from Amitabha Centre located in two adjoining double-storey houses in Happy Garden, Kuala Lumpur.

During the visit to the Home, a vegetarian buffet lunch was served and 16 PPB staff spent their time getting acquainted with the senior citizens who were excited to share their various stories. Individual portrait pictures of the eager senior citizens were taken followed by a craftwork session. Together, PPB staff and the senior citizens decorated photo frames which were aptly used to hold their portrait pictures.

PPB contributed to the Home, a water heater, a CD player, 2 standing fans as well as food and household products distributed by FFM Marketing Sdn Bhd, a wholly-owned subsidiary of PPB Group. As for the senior citizens, angpows were given to them for good health and longevity. PPB staff also chipped in to donate cash, oranges and rice to the Home.

Amitabha Centre is a non-governmental organization established in 1998 by a Buddhist monk, Venerable Xuen Fa. The Centre currently runs 4 homes for senior citizens who are homeless or sick. The homes are located in the states of Malacca, Kuala Lumpur and Johor. Amitabha Centre, Kuala Lumpur has a total of 38 senior citizens and 8 volunteers who are all vegetarian. For more details on Amitabha Centre, please contact Mr Low Teik Seng at 03-79811320.



Announcements

06 JANUARY

Chemquest Sdn Bhd (“Chemquest”), a 55%-subsidiary of PPB acquired the remaining 700,000 ordinary shares of RM1.00 each, representing 70% of the issued and paid-up share capital in Cipta Quantum Sdn Bhd (“Cipta Quantum”) from the other shareholder for a cash consideration of RM1.00 (“the Acquisition”).

Prior to the Acquisition, Chemquest owned 30% equity interest in Cipta Quantum, and with the Acquisition, Cipta Quantum has become an indirect wholly-owned subsidiary of PPB.

12 FEBRUARY

Messrs Moores Rowland, the external auditors of the Company had notified PPB of their intention not to seek re-appointment as auditors at the 40th Annual General Meeting of PPB to be held on 15 May 2009 (“40th AGM”) as they had merged their practice with the internationally integrated practice of Messrs Mazars. Kuok Brothers Sdn Berhad, a shareholder of the PPB had nominated Messrs Mazars as auditors of the Company in place of the retiring auditors, Messrs Moores Rowland. *(See Note below)*

27 FEBRUARY

The Board recommended the payment of a final single tier dividend of 18 sen per share for the financial year ended 31 December 2008 to be paid on 5 June 2009 subject to shareholders’ approval at the 40th AGM. *(See Note below)*

27 FEBRUARY

Release of 4th Quarterly Report for the period ended 31 December 2008.

27 FEBRUARY

Notice of intention to seek shareholders’ approval for the Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature at the 40th AGM. *(See Note below)*

* Note : Shareholders of PPB have approved the resolutions in respect of the above matters at the 40th AGM.

Share Analysis

1st Quarter Share Analysis

After registering a loss of 13.9% in 4Q2008, the Kuala Lumpur Composite Index (KLCI) registered a marginal loss of 0.5% to close at 872.6 points in 1Q2009. Commencing the quarter at 876.8 points, the KLCI started 2009 on a firm note with the KLCI touching a 2½-month high of 936.6 points. However, the retracement of global and regional markets caused the KLCI to subsequently retreat below 900 points in mid-February. The KLCI fell further to its year's low of 836.5 points on 12th March 2009 on concerns over the country's economic outlook and lower-than-expected industrial output for January. However, the rebound in offshore markets helped the KLCI to close at 872.6 points for a marginal loss of 0.5% for the quarter.

Source : Public Mutual website

PPB share price outperformed the KLCI to close 5.38% higher at RM9.80 compared with RM9.30 in the preceding quarter.

The market capitalisation and average daily volume of PPB shares increased to RM11.6 billion and 6.44% respectively.

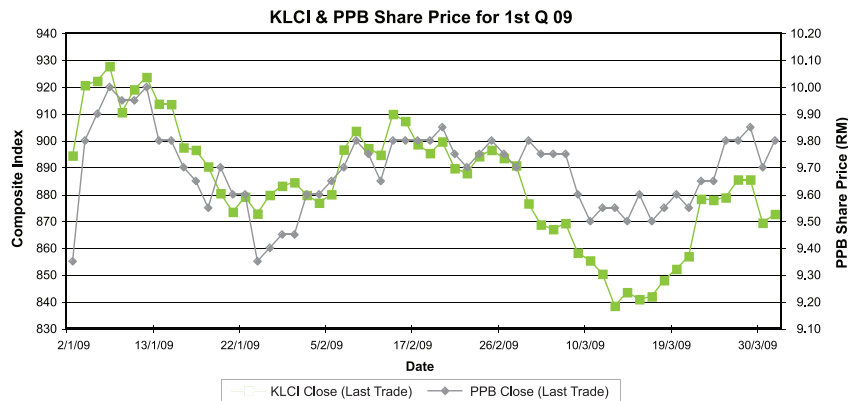
PPB SHARE & KUALA LUMPUR COMPOSITE INDEX PERFORMANCE For 1st Quarter 2009

	1st Q 2009	4th Q 2008	% change
PPB share price			
Closing price (high)	10.00	9.40	6.38%
Closing price (low)	9.35	7.30	28.08%
Month end closing price	9.80	9.30	5.38%
Weighted share price	9.72	8.31	16.97%
Market capitalization (RM' million)	11,617.90	11,025.15	5.38%

PPB share volume			
Daily volume (high)	2,878,600	2,467,700	16.65%
Daily volume (low)	52,200	73,300	-28.79%
Average daily volume	811,617	762,545	6.44%

Kuala Lumpur Composite Index (KLCI)			
KLCI closing (high)	927.62	1,016.70	-8.76%
KLCI closing (low)	838.39	829.41	1.08%
KLCI month end closing	872.55	876.75	-0.48%

Kuala Lumpur Composite Index (KLCI) volume			
Daily volume (high)	398,680,700	623,167,200	-36.02%
Daily volume (low)	66,585,300	55,986,100	18.93%
Average daily volume	175,026,791	279,610,102	-37.40%



Financial Statistics

For The 1st Quarter of 2009

*(The figures have not been audited)*Financial period ended
(All figures in RM million)

3 MONTHS		%	12 MONTHS
31.3.09	31.3.08	Change	31.12.08

INCOME STATEMENTS

Revenue	773	809	(4.4)	3,642
Profit from operations	26	133	(80.5)	411
Profit before tax	281	417	(32.6)	1,401
Profit for the period	271	384	(29.4)	1,293
Profit attributable to Shareholders of the Company	272	383	(29.0)	1,287

BALANCE SHEET

Non-current assets	12,855	10,396	23.7	11,490
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Current assets

Cash and bank deposits	460	803	(42.7)	491
Non-current assets classified as held for sale	9	9	0.0	9
Others	1,121	1,066	5.2	1,226
Total current assets	1,590	1,878	(15.3)	1,726

Total assets	14,445	12,274	17.7	13,216
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Equity

Share capital	1,186	1,186	0.0	1,186
Reserves	12,416	10,495	18.3	11,047
Equity attributable to Shareholders of the Company	13,602	11,681	16.4	12,233
Minority interests	161	146	10.3	160
Total equity	13,763	11,827	16.4	12,393

Non-current liabilities

Bank borrowings	73	23	>100.0	66
Others	74	69	7.2	74
Total non-current liabilities	147	92	59.8	140

Financial Statistics | For The 1st Quarter of 2009

Financial period ended (All figures in RM million)	3 MONTHS		% Change	12 MONTHS 31.12.08
	31.3.09	31.3.08		
Current liabilities				
Bank borrowings	270	44	>100.0	315
Others	265	311	(14.8)	368
Total current liabilities	535	355	50.7	683
Total liabilities	682	447	52.6	823
Total equity and liabilities	14,445	12,274	17.7	13,216
RATIOS				
Return on equity attributable to shareholders of the Company	(%)	2.0	3.3	10.5
Earnings per share	(sen)	22.9	32.3	108.5
Interest coverage	(times)	115.7	447.0	165.0
Current ratio	(times)	3.0	5.3	2.5
Total borrowings/Equity	(%)	2.5	0.6	3.1
Long term borrowings/Equity	(%)	0.5	0.2	0.5
Net assets per share attributable to shareholders of the Company	(RM)	11.5	9.8	10.3
Net dividend per share	(sen)	0.0	0.0	68.9
STOCK MARKET INFORMATION				
Share price	(RM)	9.80	10.20	9.3
Market capitalisation	(RM million)	11,623	12,097	11,030
PE ratio	(times)	10.7	7.9	8.6

Quarterly Report

Condensed Consolidated Income Statements

For The Period Ended 31 March 2009

(The figures have not been audited)

	Individual Quarter 3 months ended 31 March		Cumulative Quarter 3 months ended 31 March	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	772,505	808,888	772,505	808,888
Operating expenses	(754,804)	(684,018)	(754,804)	(684,018)
Other operating income	7,892	8,427	7,892	8,427
Profit from operations	25,593	133,297	25,593	133,297
Net profit from investing activities	173	6,904	173	6,904
Share of net profit less losses of associates	257,250	277,523	257,250	277,523
Share of net profits of jointly controlled entity	245	180	245	180
Finance costs	(2,449)	(935)	(2,449)	(935)
Profit before tax	280,812	416,969	280,812	416,969
Taxation	(9,381)	(32,646)	(9,381)	(32,646)
Profit for the period	271,431	384,323	271,431	384,323
Attributable to :-				
Shareholders of the Company	271,835	383,098	271,835	383,098
Minority interests	(404)	1,225	(404)	1,225
Profit for the period	271,431	384,323	271,431	384,323
Basic earnings per share (sen)	22.93	32.32	22.93	32.32

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to this report.)

Condensed Consolidated Balance Sheets

Quarterly Report

	As at 31-Mar-2009 RM'000	As at 31-Dec-2008 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	974,538	957,970
Investment properties	168,308	168,436
Biological assets	2,922	2,943
Prepaid lease payments	131,708	132,292
Goodwill	73,086	73,086
Other intangible assets	2,270	2,519
Land held for property development	6,504	6,459
Investments in associates	10,739,667	9,699,666
Investment in jointly controlled entity	48,509	45,849
Other investments	-	398,111
Available-for-sale investments	700,607	-
Financial assets at fair value through profit or loss	3,320	-
Deferred tax assets	3,310	3,315
	<u>12,854,749</u>	<u>11,490,646</u>
Current Assets		
Inventories	625,012	706,444
Biological assets	23,151	27,404
Other intangible assets	6,632	7,977
Property development costs	38,426	38,297
Receivables	426,290	445,282
Derivative financial instruments	1,037	-
Cash, bank balances and deposits	460,455	491,186
	<u>1,581,003</u>	<u>1,716,590</u>
Non-current assets classified as held for sale	9,009	9,009
	<u>1,590,012</u>	<u>1,725,599</u>
TOTAL ASSETS	<u>14,444,761</u>	<u>13,216,245</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	1,185,500	1,185,500
Reserves	12,415,627	11,047,291
Equity attributable to shareholders of the Company	<u>13,601,127</u>	<u>12,232,791</u>
Minority interests	161,090	160,088
Total equity	<u>13,762,217</u>	<u>12,392,879</u>

Condensed Consolidated Balance Sheets (cont'd)

	<i>As at</i> <i>31-Mar-2009</i> <i>RM'000</i>	<i>As at</i> <i>31-Dec-2008</i> <i>RM'000</i>
Non-current Liabilities		
Long term borrowings	73,097	65,995
Deferred tax liabilities	73,709	74,312
	<u>140,806</u>	<u>140,307</u>
Current Liabilities		
Payables	256,597	348,447
Derivative financial instruments	270	-
Short term borrowings	270,224	315,290
Taxation	8,647	19,322
	<u>535,738</u>	<u>683,059</u>
Total liabilities	<u>682,544</u>	<u>823,366</u>
TOTAL EQUITY AND LIABILITIES	<u>14,444,761</u>	<u>13,216,245</u>
Net assets per share attributable to shareholders of the Company (RM)	<u>11.47</u>	<u>10.32</u>
Net assets per share (RM)	<u>11.61</u>	<u>10.45</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to this report.)

Condensed Consolidated Cash Flow Statements
For The Period Ended 31 March 2009

Quarterly Report

	<i>3 months ended 31 March</i>	
	<i>2009</i>	<i>2008</i>
	<i>RM'000</i>	<i>RM'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	280,812	416,969
Adjustments :-		
Non-cash items	(235,045)	(259,919)
Non-operating items	(1,171)	(5,819)
Operating profit before working capital changes	44,596	151,231
Working capital changes		
Net change in current assets	119,648	(12,965)
Net change in current liabilities	(91,167)	(6,117)
Cash generated from operations	73,077	132,149
Tax paid	(28,179)	(17,682)
Net cash generated from operating activities	44,898	114,467
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment properties, biological assets and other intangible assets	(41,196)	(38,760)
Proceeds from disposal of property, plant and equipment, investment properties and prepaid lease payments	58	565
Purchase of investments	(71)	-
Dividends received	1,472	1,415
Interest received	1,883	5,469
Other investing activities	(230)	(189)
Net cash used in investing activities	(38,084)	(31,500)
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued to minority shareholder of a subsidiary	-	8,404
Bank borrowings	(37,627)	10,342
Interest paid	(2,475)	(975)
Other financing activities	1,108	2,475
Net cash (used in)/generated from financing activities	(38,994)	20,246
Net (decrease)/increase in cash and cash equivalents	(32,180)	103,213
Cash and cash equivalents at 1 January	489,022	699,411
Effect of exchange rate changes	2,575	(2,031)
Cash and cash equivalents at 31 March	459,417	800,593
Cash and cash equivalent represented by :-		
Cash & bank	82,932	72,419
Bank deposits	377,453	730,226
Bank overdrafts	(968)	(2,052)
	459,417	800,593

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to this report.)

Quarterly Report

Condensed Consolidated Statement of Changes in Equity

For The Period Ended 31 March 2009

3 months ended 31 March 2009

At 1 January 2009

As previously stated

Effect on adopting FRS 139

Restated

Net gains/(losses) recognised directly to equity

Profit for the period

Total recognised income and expenses for the year

Transfer of reserves

At 31 March 2009

3 months ended 31 March 2008

At 1 January 2008

Net gains/(losses) recognised directly to equity

Profit for the period

Total recognised income and expenses for the period

Transfer of reserves

Shares issued to minority shareholders of a subsidiary

At 31 March 2008

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000
At 1 January 2009	1,185,500	6,715	60,675	172,631
As previously stated	-	-	-	-
Effect on adopting FRS 139	1,185,500	6,715	60,675	172,631
Restated	1,185,500	6,715	60,675	172,631
Net gains/(losses) recognised directly to equity	-	-	-	496,291
Profit for the period	-	-	-	-
Total recognised income and expenses for the year	-	-	-	496,291
Transfer of reserves	-	-	(111)	-
At 31 March 2009	1,185,500	6,715	60,564	668,922
At 1 January 2008	1,185,500	6,715	55,492	(174,846)
Net gains/(losses) recognised directly to equity	-	-	-	(113,109)
Profit for the period	-	-	-	-
Total recognised income and expenses for the period	-	-	-	(113,109)
Transfer of reserves	-	-	(183)	-
Shares issued to minority shareholders of a subsidiary	-	-	-	-
At 31 March 2008	1,185,500	6,715	55,309	(287,955)

Non-distributable			Distributable		Minority interests RM'000	Total equity RM'000
Fair value reserve RM'000	Hedge reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Attributable to shareholders of the Company RM'000		
-	-	254,191	10,553,079	12,232,791	160,088	12,392,879
204,609	267,585	-	49,654	521,848	89	521,937
204,609	267,585	254,191	10,602,733	12,754,639	160,177	12,914,816
102,029	(25,585)	1,918	-	574,653	1,317	575,970
-	-	-	271,835	271,835	(404)	271,431
102,029	(25,585)	1,918	271,835	846,488	913	847,401
-	-	4,250	(4,139)	-	-	-
306,638	242,000	260,359	10,870,429	13,601,127	161,090	13,762,217
-	-	239,060	10,117,844	11,429,765	137,288	11,567,053
-	-	(32,507)	13,274	(132,342)	(98)	(132,440)
-	-	-	383,098	383,098	1,225	384,323
-	-	(32,507)	396,372	250,756	1,127	251,883
-	-	6,014	(5,831)	-	-	-
-	-	-	-	-	8,404	8,404
-	-	212,567	10,508,385	11,680,521	146,819	11,827,340

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to this report.)

A. FRS (Financial Reporting Standards) 134 - Paragraph 16**A1. 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 2008 except for the early adoption of the following new FRSs and Interpretations, effective from financial period beginning 1 January 2009:-

FRS 7	Financial Instruments : Disclosures
FRS 139	Financial Instruments : Recognition and Measurement
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment

The adoption of the above FRSs and interpretations does not have any significant financial impact on the Group except for FRS 139 disclosed as follows:-

FRS 139 : Financial Instruments : Recognition and Measurement

The adoption of the new FRS 139 has resulted in a change in the accounting policy relating to the recognition and measurement of other investments and derivative financial instruments.

Other investments

Prior to 1 January 2009, other investments are stated at cost less any diminution in value of the investments. The diminution in value is charged to the income statement. With the adoption of FRS 139, other investments held for trading are classified as financial assets at fair value through profit or loss, otherwise these assets are classified as available-for-sale investments.

Financial assets at fair value through profit or loss are initially recognised at fair value. Subsequent to initial recognition, these financial assets are measured at fair value at balance sheet date with changes in fair value recognised as gains or losses in the income statement.

Available-for-sale investments are initially recognised at fair value plus transaction costs. Subsequent to initial recognition, these financial assets are measured at fair value at balance sheet date with changes in fair value recognised in fair value reserve in equity.

Derivative financial instruments

Prior to 1 January 2009, derivative financial instruments are not recognised in the balance sheet. With the adoption of FRS 139, derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and subsequently re-measured at fair value at balance sheet date. Any gains or losses arising from changes in fair value on derivative financial instruments that do not qualify for hedge accounting are taken directly to the income statement.

The above changes in accounting policy have been accounted for prospectively and in accordance with the transitional provisions for first time adoption of FRS 139, available-for-sale investments and derivative financial instruments have been re-measured at fair value at 1 January 2009 with the changes in fair value recognised directly in equity under fair value reserve, retained earnings and restating the following opening balances of the Group at 1 January 2009:-

	<i>As previously reported RM'000</i>	<i>Effect RM'000</i>	<i>As restated RM'000</i>
<u>Consolidated Balance Sheet</u>			
Reserves	11,047,291	521,848	11,569,139
Minority interests	160,088	89	160,177
<u>Consolidated Statement of Changes in Equity</u>			
Fair value reserve	-	204,609	204,609
Hedge reserve	-	267,585	267,585
Retained earnings	10,553,079	49,654	10,602,733
Minority interests	160,088	89	160,177

Effects on adopting FRS 139 for the period ended 31 March 2009:-

<u>Consolidated Income Statement</u>		<i>RM'000</i>
Net gain from derivative financial instruments		782
Fair value loss on financial assets at fair value through profit or loss		(1,324)
Share of net profit less losses of associate		(22,878)
<u>Consolidated Statement of Changes in Equity</u>		
Increase in Fair value reserve		102,029
Reduction in Hedge reserve		(25,585)

A2. Seasonal or Cyclicity of Interim Operations

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

A3. 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.

A4. 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.

A5. 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.

A6. Dividends paid

There was no dividend paid during the financial period under review.

A7. Segmental reporting

Segmental information in respect of the Group's business segments for the period ended 31 March 2009

<i>All figures in RM'000</i> Business Segments:	Sugar refining, trading and cane plantation	Grains trading, flour and feed milling	Film exhibition and distribution	Environmental engineering, waste management and utilities
REVENUE				
External sales	277,668	269,409	44,641	36,304
Inter-segment sales	-	23,363	-	-
Total revenue	<u>277,668</u>	<u>292,772</u>	<u>44,641</u>	<u>36,304</u>
RESULTS				
Segment operating results	14,781	4,662	5,233	206
Unallocated corporate expenses				
Profit from operations				
Investing activities				
Share of associates profits less losses	(1,833)	(981)	220	1,299
Share of joint venture's profits	-	-	-	245
Finance costs				
Profit before tax				

A8. 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.

A9. 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.

Chemicals trading and manufacturing	Property investment and development	Livestock farming	Other operations	Elimination	Consolidated
14,291	13,234	16,742	100,216	-	772,505
79	351	4,629	8,806	(37,228)	-
14,370	13,585	21,371	109,022	(37,228)	772,505
170	4,999	(1,003)	(379)	(522)	28,147
					(2,554)
					25,593
					173
-	808	-	257,737	-	257,250
-	-	-	-	-	245
					(2,449)
					280,812

A10. 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 and year-to-date under review, except for the following:-

Chemquest Sdn Bhd (“Chemquest”), a 55% subsidiary of PPB, has on 6 January 2009 acquired the remaining 700,000 ordinary shares of RM1.00 each, representing 70% of the issued and paid-up share capital in Cipta Quantum Sdn Bhd (“Cipta Quantum”) from the remaining shareholder, for a cash consideration of RM1.00 (“the Acquisition”). Prior to the Acquisition, Chemquest owned 30% equity interest in Cipta Quantum, and with the Acquisition, Cipta Quantum has become a wholly-owned indirect subsidiary of PPB.

A11. Changes in contingent liabilities or contingent assets

<u>Contingent liabilities</u>	<i>As at 31-Mar-09 RM'000</i>	<i>As at 31-Dec-08 RM'000</i>
Unsecured guarantees issued in consideration of credit facilities given to an associated company	2,550	2,550

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 financial year-to-date**

Group revenue of RM773 million for the first quarter ended 31 March 2009 was 4% lower compared with RM809 million for the same period last year. The decrease was mainly due to lower revenue recorded by the flour and animal feed milling, chemicals trading and property investment divisions.

Group profit before tax was RM281 million against RM417 million last year representing a decrease of about 33%. The decrease was mainly due to higher raw material costs incurred by the sugar refining and flour and feed milling divisions. Wilmar International Limited (“Wilmar”) an associated company of the Group also contributed a profit of RM255 million for the quarter under review.

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

Group profit before tax of RM281 million for the quarter under review was 23% lower when compared with RM367 million in the preceding quarter. This was mainly due to lower contribution from PPB Group’s core divisions as well as from Wilmar.

B3. Prospects for current financial year

The global financial and economic crisis is expected to affect the Group's performance for the rest of 2009 in respect of lower demand and margins for the goods and services offered by the Group. In addition, changes in prices of raw materials and ocean freight will be the key factors affecting the Group's profitability. However, Group performance for the year will still remain satisfactory.

B4. Variance of actual profit from forecast profit

Not applicable.

B5. Taxation

	<i>Individual Quarter 3 months ended 31-Mar-09 RM'000</i>	<i>Cumulative Quarter 3 months ended 31-Mar-09 RM'000</i>
Taxation comprises:-		
Malaysian taxation based on profit for the period		
Current	10,625	10,625
Deferred	426	426
	<u>11,051</u>	<u>11,051</u>
Foreign taxation		
Current	(848)	(848)
	<u>10,203</u>	<u>10,203</u>
(Over)/underprovision		
Current	208	208
Deferred	(1,030)	(1,030)
	<u>9,381</u>	<u>9,381</u>

The effective tax rate is higher than the average statutory rate for the period, mainly due to non-deductibility of certain expenses for tax purposes and losses in certain subsidiaries which were not available for tax relief.

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

There were no sales of unquoted investment and / or properties for the current quarter and financial year-to-date.

B7. Quoted securities

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

	<i>Individual Quarter 3 months ended 31-Mar-2009 RM'000</i>	<i>Cumulative Quarter 3 months ended 31-Mar-2009 RM'000</i>
Total purchases	71	71
Total proceeds from disposals	-	-
Net loss on disposals	-	-

(b) Total investments in quoted securities as at 31 March 2009 were as follows:-

At cost	RM'000 419,087
At book value / market value	703,499

B8. Status of corporate proposals

On 1 November 2006, Mantap Aman Sdn Bhd, an indirect subsidiary company 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 still in progress and is expected to be commissioned in July 2009 based on the current schedule.

B9. Group borrowings

Total Group borrowings as at 31 March 2009 were as follows.

	<i>Total RM'000</i>	<i>Secured RM'000</i>	<i>Unsecured RM'000</i>
Long term bank borrowings			
Long term bank loans (USD)	57,963	57,963	-
Long term bank loans (CNY)	18,062	-	18,062
Hire purchase liabilities	205	205	-
Hire purchase liabilities (SGD)	70	70	-
Repayments due within the next 12 months	(3,203)	(189)	(3,014)
	<u>73,097</u>	<u>58,049</u>	<u>15,048</u>
Short term bank borrowings			
Bills payable	198,475	-	198,475
Short term loans	65,950	-	65,950
Short term loans (USD)	1,628	-	1,628
Current portion of long term loans	3,014	-	3,014
Hire purchase liabilities	177	177	-
Hire purchase liabilities (SGD)	12	12	-
	<u>269,256</u>	<u>189</u>	<u>269,067</u>
Bank overdrafts	968	-	968
	<u>270,224</u>	<u>189</u>	<u>270,035</u>

B10. Off Balance Sheet Financial Instruments

There were no off balance financial instruments as at 13 May 2009. The Group adopts FRS 139 - Financial Instruments : Recognition and Measurement which requires all financial instruments to be recognised in the financial statements.

B11. Material litigation

There was no material litigation pending as at 13 May 2009.

B12. Dividend

The single tier final dividend of 18 sen per share for the financial year ended 31 December 2008 was approved by shareholders at the Company's 40th Annual General Meeting held on 15 May 2009 and will be paid on Friday, 5 June 2009.

The Directors do not recommend any interim dividend for the current financial period under review.

Dividends paid/payable

Dividends paid and payable for the financial year 2007, 2008 and up to the date of this report are as follows :-

Financial Year	Type	Rate per share	Payment Date
2007	Interim dividend	5 sen less 27% income tax	28 September 2007
2007	Final dividend	25 sen less 26% income tax	6 June 2008
2008	Special dividend	62 sen less 26% income tax	12 May 2008
2008	Interim dividend	5 sen single tier dividend	29 September 2008
2008	Final dividend	18 sen single tier dividend	Payable on 5 June 2009

B13. Earnings per Share

The basic earnings per share has been calculated by dividing the Group's profit 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.

B14. Disclosure of audit report qualification and status of matters raised

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

Kuala Lumpur
19 May 2009

By Order of the Board
Tan Teong Boon
Mah Teck Keong
Company Secretaries

Registered Office:

PPB GROUP BERHAD | 8167-W
17th Floor, Wisma Jerneh,
38 Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia.

Tel : 603 2117 0888

Fax: 603 2117 0999 (*General*)

Fax: 603 2117 0998 (*Corporate Affairs*)

email : corporateaffairs@ppb.com.my

website : www.ppbgroup.com