

PPB GROUP BERHAD (8167-W)
INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2010

(The figures have not been audited)

Condensed Consolidated Income Statements For The Period Ended 30 September 2010

	Individual Quarter 3 months ended 30 September		Cumulative Quarter 9 months ended 30 September	
	2010 RM'000	2009 RM'000 (Restated)	2010 RM'000	2009 RM'000 (Restated)
<u>Continuing operations</u>				
Revenue	574,531	511,176	1,659,256	1,550,129
Operating expenses	(508,207)	(462,075)	(1,489,531)	(1,423,911)
Other operating income	26,505	19,872	91,504	43,469
Share of net profits less losses of associates	225,213	439,268	687,005	967,587
Share of profit of jointly controlled entity	345	257	999	756
Finance costs	(1,301)	(1,607)	(3,656)	(5,058)
Profit before tax	317,086	506,891	945,577	1,132,972
Income tax expense	(23,820)	(11,319)	(44,013)	(27,112)
Profit for the period from continuing operations	293,266	495,572	901,564	1,105,860
<u>Discontinued operations</u>				
Profit for the period from discontinued operations, net of tax	-	103,359	261	169,615
Gain on sale of discontinued operations	-	-	838,448	-
Profit for the period	293,266	598,931	1,740,273	1,275,475
Attributable to :				
Shareholders of the Company	287,991	595,072	1,731,091	1,264,439
Minority interests	5,275	3,859	9,182	11,036
Profit for the period	293,266	598,931	1,740,273	1,275,475
Basic earnings per share (sen)				
- continuing operations	24.29	41.48	75.27	92.35
- discontinued operations	0.00	8.72	70.75	14.31
	24.29	50.20	146.02	106.66

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report.)

PPB GROUP BERHAD (8167-W)
Condensed Consolidated Statement Of Comprehensive Income
For The Period Ended 30 September 2010

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 September		30 September	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Profit for the period	293,266	598,931	1,740,273	1,275,475
<u>Other comprehensive (loss)/income, net of tax</u>				
Exchange differences on translation of foreign operations :-				
- (Losses)/gains arising during the period	(593,536)	(139,369)	(1,064,055)	16,103
- Reclassification to profit or loss on liquidation of an associate	-	-	-	(8)
Fair value of available-for-sale financial assets :-				
- Gains/(losses) arising during the period	72,535	78,879	(15,907)	268,317
- Reclassification adjustment for gains included in profit or loss	(57)	(811)	(57)	(811)
Share of associates' other comprehensive income	(11,600)	(9,167)	(29,658)	(117,414)
Total comprehensive income	<u>(239,392)</u>	<u>528,463</u>	<u>630,596</u>	<u>1,441,662</u>
Attributable to :				
Shareholders of the Company	(242,470)	523,676	623,857	1,427,620
Minority interests	3,078	4,787	6,739	14,042
Total comprehensive income	<u>(239,392)</u>	<u>528,463</u>	<u>630,596</u>	<u>1,441,662</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report.)

PPB GROUP BERHAD (8167-W)
Condensed Consolidated Statement Of Financial Position

	As at 30-Sep-10 RM'000	As at 31-Dec-09 RM'000
ASSETS		
Non-current Assets		(Restated)
Property, plant and equipment	937,813	927,099
Investment properties	204,830	205,185
Biological assets	2,785	2,889
Goodwill	72,445	72,444
Other intangible assets	1,439	1,969
Land held for property development	11,494	11,268
Investments in associates	9,921,836	10,628,430
Investment in jointly controlled entity	25,591	29,518
Other investments	887,413	886,440
Deferred tax assets	4,772	5,479
	<u>12,070,418</u>	<u>12,770,721</u>
Current Assets		
Inventories	342,819	377,835
Biological assets	14,726	14,320
Other intangible assets	7,318	6,334
Property development costs	33,263	30,793
Receivables	368,976	352,338
Derivative financial instruments	223	193
Cash, bank balances and deposits	867,449	589,003
	<u>1,634,774</u>	<u>1,370,816</u>
Non-current assets/disposal group classified as held for sale	9,009	925,423
	<u>1,643,783</u>	<u>2,296,239</u>
TOTAL ASSETS	<u><u>13,714,201</u></u>	<u><u>15,066,960</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	1,185,500	1,185,500
Reserves	11,890,717	12,901,042
Equity attributable to shareholders of the Company	<u>13,076,217</u>	<u>14,086,542</u>
Minority interests	178,317	172,817
Total equity	<u><u>13,254,534</u></u>	<u><u>14,259,359</u></u>

PPB GROUP BERHAD (8167-W)
Condensed Consolidated Statement Of Financial Position
(continued)

	As at 30-Sep-10 RM'000	As at 31-Dec-09 RM'000
Non-current Liabilities		(Restated)
Long term borrowings	41,892	82,813
Deferred tax liabilities	72,004	71,552
	113,896	154,365
Current Liabilities		
Payables	241,316	342,336
Derivative financial instruments	80	212
Short term borrowings	86,822	37,654
Taxation	17,553	6,785
	345,771	386,987
Liabilities directly associated with disposal group classified as held for sale	-	266,249
	345,771	653,236
Total liabilities	459,667	807,601
TOTAL EQUITY AND LIABILITIES	13,714,201	15,066,960
Net assets per share attributable to shareholders of the Company (RM)	11.03	11.88

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report.)

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Condensed Consolidated Statement Of Changes In Equity For The Period Ended 30 September 2010

	Non-distributable						Distributable		Minority interests RM'000	Total equity RM'000	
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange translation reserve 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
<u>9 months ended 30 September 2010</u>											
At 1 January 2010	1,185,500	6,715	60,230	20,818	484,454	96,648	294,561	11,937,616	14,086,542	172,817	14,259,359
Total comprehensive income	-	-	-	(980,265)	(16,049)	(109,679)	(1,241)	1,731,091	623,857	6,739	630,596
Transfer of reserves	-	-	(334)	-	-	-	(3,927)	4,261	-	-	-
Dilution of interest in associate	-	-	-	-	-	-	-	1,808	1,808	-	1,808
Dividends	-	-	-	-	-	-	-	(1,635,990)	(1,635,990)	(1,239)	(1,637,229)
At 30 September 2010	1,185,500	6,715	59,896	(959,447)	468,405	(13,031)	289,393	12,038,786	13,076,217	178,317	13,254,534
<u>9 months ended 30 September 2009</u>											
At 1 January 2009											
As previously stated	1,185,500	6,715	60,675	172,631	-	-	254,191	10,553,079	12,232,791	160,088	12,392,879
Effect on adopting FRS 139	-	-	-	-	204,561	267,585	-	63,373	535,519	137	535,656
Restated	1,185,500	6,715	60,675	172,631	204,561	267,585	254,191	10,616,452	12,768,310	160,225	12,928,535
Total comprehensive income	-	-	-	14,793	267,411	(126,045)	7,022	1,264,439	1,427,620	14,042	1,441,662
Transfer of reserves	-	-	(334)	-	-	-	29,485	(29,151)	-	-	-
Dilution of interest in associate	-	-	-	-	-	-	-	542	542	-	542
Dividend	-	-	-	-	-	-	-	(272,665)	(272,665)	(728)	(273,393)
At 30 September 2009	1,185,500	6,715	60,341	187,424	471,972	141,540	290,698	11,579,617	13,923,807	173,539	14,097,346

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report.)

PPB GROUP BERHAD (8167-W)
Condensed Consolidated Statement Of Cash Flows
For The Period Ended 30 September 2010

Final

	9 months ended 30 September	
	2010	2009
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax		
- continuing operations	945,577	1,132,972
- discontinued operations	838,709	225,276
	1,784,286	1,358,248
Adjustments :-		
Non-cash items	(1,517,312)	(937,762)
Non-operating items	(63,317)	(49,429)
Operating profit before working capital changes	203,657	371,057
Working capital changes		
Net change in current assets	68,327	53,753
Net change in current liabilities	(17,038)	(90,376)
Cash generated from operations	254,946	334,434
Tax paid	(25,137)	(66,643)
Net cash generated from operating activities	229,809	267,791
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment properties, biological assets and other intangible assets	(80,539)	(126,447)
Proceeds from disposal of property, plant and equipment and investment properties	39,032	454
Purchase of investments	(3,361)	(611)
Proceeds from sale of investments	1,226,566	7,120
Net cash disposed of from discontinued operations	(143,363)	-
Repayment from/(advances to) associates	14,054	(2,277)
Dividends received	451,480	263,325
Interest received	27,596	6,237
Other investing activities	10,320	6,487
Net cash generated from investing activities	1,541,785	154,288
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	11,823	(91,794)
Interest paid	(3,933)	(6,732)
Dividends paid	(1,637,229)	(273,393)
Other financing activities	(6)	4,258
Net cash used in financing activities	(1,629,345)	(367,661)
Net increase in cash and cash equivalents	142,249	54,418
Cash and cash equivalents brought forward	731,010	489,022
Effect of exchange rate changes	(6,576)	(556)
Cash and cash equivalents carried forward	866,683	542,884
<u>Cash and cash equivalents represented by :-</u>		
Cash and bank balances	71,423	65,731
Bank deposits	796,026	477,512
Bank overdrafts	(766)	(359)
	866,683	542,884

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report.)

NOTES

A. Financial Reporting Standard (FRS) 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 Main Market 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 2009 except for the adoption of the following new/revised FRSs and Amendments to FRSs that are effective for financial periods beginning on or after 1 July 2009 or 1 January 2010 :-

- FRS 8 Operating Segments
- FRS 101 Presentation of Financial Statements (Revised)
- FRS 123 Borrowing Costs (Revised)
- Amendment to FRS 5 Non-current Assets Held for Sale and Discontinued Operations
- Amendment to FRS 7 Financial Instruments: Disclosures
- Amendment to FRS 8 Operating Segments
- Amendment to FRS 107 Statement of Cash Flows
- Amendment to FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendment to FRS 110 Events after the Reporting Period
- Amendment to FRS 116 Property, Plant and Equipment
- Amendment to FRS 117 Leases
- Amendment to FRS 118 Revenue
- Amendment to FRS 119 Employee Benefits
- Amendment to FRS 120 Accounting for Government Grants and Disclosure of Government Assistance
- Amendment to FRS 123 Borrowing Costs
- Amendment to FRS 127 Consolidated and Separate Financial Statements
- Amendment to FRS 128 Investments in Associates
- Amendment to FRS 131 Interest in Joint Ventures
- Amendment to FRS 132 Financial Instruments: Presentation
- Amendment to FRS 134 Interim Financial Reporting
- Amendment to FRS 136 Impairment of Assets
- Amendment to FRS 138 Intangible assets
- Amendment to FRS 139 Financial Instruments: Recognition and Measurement
- Amendment to FRS 140 Investment Property

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The adoption of the above new/revised FRSs and Amendments to FRSs does not have any significant financial impact on the Group except for the following:-

FRS 101: Presentation of Financial Statements

FRS 101 requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (ie. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements.

Amendment to FRS 117 Leases

Prior to the adoption of the Amendment to FRS 117, leasehold land that had an indefinite economic life and with title that was not expected to pass to the lessee at the end of the lease term was classified as operating lease. Upfront payments for the rights to use the leasehold land over a predetermined period were accounted for as prepaid lease payments and amortised on a straight-line basis over the remaining period of the lease.

Upon adoption of the Amendment to FRS 117 in relation to classification of leasehold land, the Group reassessed the classification of leasehold land as a finance lease or an operating lease based on the extent of risks and rewards associated with the land. The Group has determined that all leasehold land of the Group are in substance finance leases and has reclassified its leasehold land from prepaid lease payments to property, plant and equipment.

Amendment to FRS 140 Investment Property

Prior to the adoption of the Amendment to FRS 140, assets under construction for future use as investment property were classified as property, plant and equipment.

Upon adoption of the Amendment to FRS 140, these assets are reclassified to investment properties.

The reclassification has been made retrospectively in the Condensed Consolidated Statement of Financial Position and the following comparative figures have been restated as follows :-

Condensed Consolidated Statement of Financial Position	<i>As previously reported</i>	<i>Effects</i>	<i>As restated</i>
	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>
Property, plant and equipment	860,666	66,433	927,099
Investment properties	167,923	37,262	205,185
Prepaid lease payments	103,695	(103,695)	-

The comparative figures in the Condensed Consolidated Income Statement have been restated to reflect the effects of the financial results of the disposal group in relation to the sale of the sugar-related assets.

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b) Discontinued operations

The financial results of the discontinued operations for the period ended 30 September are as follows :-

	Individual Quarter 3 months ended 30 September		Cumulative Quarter 9 months ended 30 September	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue	-	418,264	774	1,031,609
Operating expenses	-	(296,378)	(514)	(826,654)
Other operating income	-	13,290	1	14,560
Share of net profits less losses of associates	-	2,804	-	6,621
Finance costs	-	(524)	-	(860)
Profit before taxation	-	137,456	261	225,276
Income tax expense	-	(34,097)	-	(55,661)
Profit for the period	-	103,359	261	169,615

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 affected the assets, liabilities, equity, net income and cash flows of the Group during the current period to date under review except for the completion of the disposal of the sugar-related assets as previously reported.

A4. Nature and amount of changes in estimates

There were no changes in estimates of amounts reported in the prior financial year 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 or 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 period to date.

A6. Dividends paid

	Individual Quarter 3 months ended 30-Sep-10 RM'000	Cumulative Quarter 9 months ended 30-Sep-10 RM'000
<u>Dividends paid on ordinary shares</u>		
Financial year ended 31.12.2009 :-		
Special dividend - 50 sen per share single tier	-	592,750
Final dividend - 18 sen per share single tier	-	213,390
Financial year ending 31.12.2010 :-		
Special dividend - 65 sen per share single tier	770,575	770,575
Interim dividend - 5 sen per share single tier	59,275	59,275
	<u>829,850</u>	<u>1,635,990</u>

A7. Segmental reporting

Segmental information in respect of the Group's business segments for the period ended 30 September 2010

	Continuing Operations									Discontinued Operation	Total Operations	
	Grains trading, flour and feed milling	Marketing, distribution and manufacturing of consumer products	Film exhibition and distribution	Environmental engineering, waste management and utilities	Chemicals trading and manufacturing	Property investment and development	Livestock farming	Other operations	Elimination	Total		Cane plantation
Business Segments:												
<i>All figures in RM'000</i>												
REVENUE												
External revenue	859,174	275,792	187,516	52,816	66,921	30,498	55,663	130,876	-	1,659,256	774	1,660,030
Inter-segment sales	63,611	-	-	-	19,175	1,095	13,835	11,225	(108,941)	-	-	-
Total revenue	<u>922,785</u>	<u>275,792</u>	<u>187,516</u>	<u>52,816</u>	<u>86,096</u>	<u>31,593</u>	<u>69,498</u>	<u>142,101</u>	<u>(108,941)</u>	<u>1,659,256</u>	<u>774</u>	<u>1,660,030</u>
RESULTS												
Segment results	102,193	12,809	33,351	1,890	1,209	13,757	4,955	118,605	1,075	289,844	261	290,105
Unallocated corporate expenses										(28,615)	-	(28,615)
Share of associates' profits less losses	10,131	-	1,063	2,114	-	1,748	-	671,949	-	687,005	-	687,005
Share of joint venture's profit	-	-	-	999	-	-	-	-	-	999	-	999
Finance costs										(3,656)	-	(3,656)
Profit before tax										<u>945,577</u>	<u>261</u>	<u>945,838</u>
ASSETS												
Segment assets	885,444	170,163	202,886	46,784	42,474	278,273	108,046	2,011,818	(1,438)	3,744,450	-	3,744,450
Investments in associates	64,468	-	5,778	31,651	-	116,302	-	9,703,637	-	9,921,836	-	9,921,836
Investment in jointly controlled entity	-	-	-	25,591	-	-	-	-	-	25,591	-	25,591
Taxation										15,255	-	15,255
Other unallocated corporate assets										7,069	-	7,069
Total assets										<u>13,714,201</u>	<u>-</u>	<u>13,714,201</u>

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A8. Valuation of Property, Plant and Equipment

There were no changes 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.

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 subsidiaries and long-term investments, restructurings, and discontinued operations for the current interim period and year-to-date under review, except for the following :-

- a) With the completion of the disposal of 100% equity interest in Malayan Sugar Manufacturing Company Berhad (“MSM”) on 1 January 2010, MSM, MSM Properties Sdn Bhd and Astakonas Sdn Bhd ceased to be subsidiaries of PPB with effect from 1 January 2010.
- b) On 7 September 2010, Chemquest Trading (Malaysia) Sdn Bhd and Asia Pacific Microspheres Sdn Bhd, both indirect subsidiaries of PPB which had ceased business operations, were placed under members’ voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act 1965. The respective liquidations are in progress.
- c) On 9 September 2010, PPB acquired the entire issued and paid-up share capital comprising 2 ordinary shares of RM1 each in Forward Prestige Sdn Bhd (now known as Federal Flour Mills Holdings Sdn Bhd (“FFMH”)), for a cash consideration of RM1,600/-. Arising therefrom, FFMH has become a wholly-owned subsidiary of PPB.

A11. Changes in contingent liabilities or contingent assets

	As at 30-Sep-10 RM'000	As at 31-Dec-09 RM'000
<u>Contingent liabilities</u>		
Unsecured guarantees issued in consideration of credit facilities given to an associate	2,550	2,550

Contingent assets

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

PPB GROUP BERHAD (8167-W)**B. BMSB Listing Requirements (Part A of Appendix 9B)****B1. Review of performance for the financial year-to-date**

Group revenue of RM1.66 billion for the 9 months ended 30 September 2010 was 7% higher than the RM1.55 billion in the same period last year. The increase was mainly due to higher revenue achieved by most divisions except for the environmental engineering, waste management and utilities divisions which recorded lower revenue.

Group profit before tax for continuing operations of RM946 million declined by 17% compared with the corresponding period last year. The flour and feed milling division contributed higher profits due to increase in sales volume and better margins, whilst film exhibition and distribution also registered higher profits arising mainly from increased admissions. However, profit contribution for the period from our associate Wilmar International Limited ("Wilmar") was reduced by RM344 million largely due to weaker performance in its oilseeds and grains segment.

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

Group profit before tax for continuing operations of RM317 million for the quarter under review was marginally lower compared with the preceding quarter. The flour and feed milling and livestock divisions contributed higher profits due to better margins. This was offset by a lower profit contribution from Wilmar.

B3. Prospects for current financial year

The fluctuations in commodity prices and currency exchange rates are expected to be the major factors that would impact the Group's operating results for the remaining quarter of 2010.

For the year, the performance from all the operating divisions are expected to be satisfactory. However, with the gain from the sale of the sugar-related assets, profits for 2010 will surpass that of last year.

B4. Variance of actual profit from forecast profit

Not applicable.

B5. Taxation

Taxation comprises :-	Individual Quarter 3 months ended 30-Sep-10 RM'000	Cumulative Quarter 9 months ended 30-Sep-10 RM'000
Malaysian taxation based on profit for the period		
Current	23,340	43,053
Deferred	502	21
	23,842	43,074
Foreign taxation		
Current	716	1,439
	24,558	44,513
(Over)/Underprovision		
Current	(822)	(759)
Deferred	84	259
	23,820	44,013

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

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

There were no sales of unquoted investments. However there were gains amounting to RM22.3 million on the disposal of properties for the current quarter and financial period to date.

B7. Quoted securities

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

	Individual Quarter 3 months ended 30-Sep-10 RM'000	Cumulative Quarter 9 months ended 30-Sep-10 RM'000
Total purchases	-	1,156
Total proceeds from disposal	122	122
Net profit on disposal	57	57

(b) Total investments in quoted securities as at 30 September 2010 were as follows :-

	RM'000
At cost	410,755
At carrying amount	886,985

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B8. Status of corporate proposals

There were no corporate proposals announced but not completed as at 15 November 2010.

B9. Group borrowings

Total Group borrowings as at 30 September 2010 were as follows :-

	Total RM'000	Secured RM'000	Unsecured RM'000
Long term bank borrowings			
Long term bank loans	41,318	-	41,318
Long term bank loans (USD)	42,945	42,945	-
Long term bank loans (RMB)	10,357	-	10,357
Hire purchase liabilities (SGD)	51	51	-
Repayments due within the next 12 months	(52,779)	(9,895)	(42,884)
	<u>41,892</u>	<u>33,101</u>	<u>8,791</u>
Short term bank borrowings			
Short term loans	1,529	-	1,529
Short term loans (SGD)	160	-	160
Short term loans (USD)	31,588	-	31,588
Current portion of long term loans	52,765	9,881	42,884
Hire purchase liabilities (SGD)	14	14	-
	<u>86,056</u>	<u>9,895</u>	<u>76,161</u>
Bank overdrafts	766	-	766
	<u>86,822</u>	<u>9,895</u>	<u>76,927</u>

B10. Financial Instruments

The outstanding forward currency contracts as at 30 September 2010 were as follows :-

	Currency	Contract/ Notional value RM'000	Fair Value RM'000
<u>Less than 1 year</u>			
- Buy position	USD	11,415	11,334
- Buy position	CHF	330	333
- Buy position	EUR	2,542	2,699
- Sell position	USD	2,426	2,362

There is no change to the related accounting policies, risks associated with the financial instruments and policies to mitigate those risks since the last financial year.

B11. Material litigation

There was no material litigation pending as at 15 November 2010.

PPB GROUP BERHAD (8167-W)**B12. Dividend**

The Directors do not recommend the payment of any interim dividend for the third quarter under review.

Dividends Paid

Dividends paid for the financial years 2009/2010 and up to the date of this report are as follows :-

Financial Year	Type	Rate per share	Payment date
2009	Interim dividend	5 sen single tier	25 September 2009
2009	Special dividend	50 sen single tier	15 March 2010
2009	Final dividend	18 sen single tier	8 June 2010
2010	Special dividend	65 sen single tier	} 28 September 2010
2010	Interim dividend	5 sen single tier	

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 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 quarter 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
22 November 2010

By Order of the Board
Mah Teck Keong
Company Secretary