

PPB GROUP BERHAD (8167-W)
INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2011

(The figures have not been audited)

Condensed Consolidated Income Statements For The Period Ended 30 September 2011

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 September		30 September	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Revenue	710,263	574,531	1,966,342	1,659,256
Operating expenses	(671,796)	(508,207)	(1,837,505)	(1,489,531)
Other operating income	29,361	26,505	71,175	91,504
Share of net profits less losses of associates	185,327	225,213	631,631	687,005
Share of profit of jointly controlled entity	1,001	345	2,711	999
Finance costs	(1,774)	(1,301)	(3,827)	(3,656)
Profit before tax	252,382	317,086	830,527	945,577
Income tax expense	(12,615)	(23,820)	(30,331)	(44,013)
Profit for the period from continuing operations	239,767	293,266	800,196	901,564
<u>Discontinued operations</u>				
Profit for the period from discontinued operations, net of tax	-	-	-	261
Gain on sale of discontinued operations	-	-	-	838,448
Profit for the period	239,767	293,266	800,196	1,740,273
Attributable to :				
Owners of the parent	229,405	287,991	771,069	1,731,091
Non-controlling interests	10,362	5,275	29,127	9,182
Profit for the period	239,767	293,266	800,196	1,740,273
Basic earnings per share (sen)				
- continuing operations	19.35	24.29	65.04	75.27
- discontinued operations	-	-	-	70.75
	19.35	24.29	65.04	146.02

(The Condensed Consolidated Income Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2010, 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 2011

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 September		30 September	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Profit for the period	239,767	293,266	800,196	1,740,273
<u>Other comprehensive income/(loss), net of tax</u>				
Exchange differences on translation of foreign operations	541,131	(593,536)	325,755	(1,064,055)
Fair value of available-for-sale financial assets :-				
- (Loss)/Gain arising during the period	(144,253)	72,535	(289,806)	(15,907)
- Reclassification adjustments to profit or loss upon disposal	-	(57)	(656)	(57)
Share of associates' other comprehensive (loss)/income	(51,622)	(11,600)	60,733	(29,658)
Total comprehensive income/(loss)	<u>585,023</u>	<u>(239,392)</u>	<u>896,222</u>	<u>630,596</u>
Attributable to :				
Owners of the parent	569,822	(242,470)	862,463	623,857
Non-controlling interests	15,201	3,078	33,759	6,739
Total comprehensive income/(loss)	<u>585,023</u>	<u>(239,392)</u>	<u>896,222</u>	<u>630,596</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 December 2010, and the accompanying explanatory notes attached to this report.)

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

	As at 30-Sep-11 RM'000	As at 31-Dec-10 RM'000
ASSETS		
Non-current Assets		(Restated)
Property, plant and equipment	1,016,391	957,177
Investment properties	210,537	212,649
Biological assets	2,637	2,743
Goodwill	74,617	74,617
Other intangible assets	1,423	1,503
Land held for property development	11,806	11,484
Investments in associates	10,855,574	10,000,272
Investment in jointly controlled entity	48,999	47,290
Other investments	665,806	936,126
Deferred tax assets	2,324	4,366
	<u>12,890,114</u>	<u>12,248,227</u>
Current Assets		
Inventories	496,214	316,738
Biological assets	16,215	14,525
Other intangible assets	11,104	6,723
Property development costs	39,786	35,385
Receivables	468,251	380,194
Derivative financial instruments	45,858	271
Cash, bank balances and deposits	1,085,578	923,682
	<u>2,163,006</u>	<u>1,677,518</u>
Non-current assets classified as held for sale	9,009	9,721
	<u>2,172,015</u>	<u>1,687,239</u>
TOTAL ASSETS	<u><u>15,062,129</u></u>	<u><u>13,935,466</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	1,185,500	1,185,500
Reserves	12,794,371	12,091,726
Equity attributable to owners of the parent	<u>13,979,871</u>	<u>13,277,226</u>
Non-controlling interests	431,008	203,660
Total equity	<u><u>14,410,879</u></u>	<u><u>13,480,886</u></u>

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

	As at 30-Sep-11 RM'000	As at 31-Dec-10 RM'000
Non-current Liabilities		(Restated)
Long term borrowings	29,501	39,167
Deferred tax liabilities	72,619	69,637
	<u>102,120</u>	<u>108,804</u>
Current Liabilities		
Payables	283,393	255,670
Derivative financial instruments	36,541	467
Short term borrowings	223,374	75,093
Taxation	5,822	14,546
	<u>549,130</u>	<u>345,776</u>
Total liabilities	<u>651,250</u>	<u>454,580</u>
TOTAL EQUITY AND LIABILITIES	<u>15,062,129</u>	<u>13,935,466</u>
Net assets per share attributable to owners of the parent (RM)	<u>11.79</u>	<u>11.20</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual financial statements for the year ended 31 December 2010, and the accompanying explanatory notes attached to this report.)

PPB GROUP BERHAD (8167-W)
Condensed Consolidated Statement Of Changes In Equity For The Period Ended 30 September 2011

	Non-distributable					Distributable		Attributable to owners of the parent RM'000	Non-controlling 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
9 months ended 30 September 2011											
At 1 January 2011											
As previously reported	1,185,500	6,715	61,398	(950,954)	518,837	(31,191)	305,313	12,178,608	13,274,226	185,284	13,459,510
Effects of adopting IC Interpretation 12	-	-	-	-	-	-	-	3,000	3,000	18,376	21,376
Restated	1,185,500	6,715	61,398	(950,954)	518,837	(31,191)	305,313	12,181,608	13,277,226	203,660	13,480,886
Total comprehensive income	-	-	-	364,994	(290,404)	18,161	(1,357)	771,069	862,463	33,759	896,222
Transfer of reserves	-	-	(342)	-	-	-	8,307	(7,965)	-	-	-
Dilution of interest in a subsidiary	-	-	-	8,180	-	-	257,654	(93,712)	172,122	205,997	378,119
Dividends	-	-	-	-	-	-	-	(331,940)	(331,940)	(12,408)	(344,348)
At 30 September 2011	1,185,500	6,715	61,056	(577,780)	228,433	(13,030)	569,917	12,519,060	13,979,871	431,008	14,410,879
9 months ended 30 September 2010											
At 1 January 2010											
As previously reported	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
Effects of adopting IC Interpretation 12	-	-	-	-	-	-	-	2,071	2,071	12,697	14,768
Restated	1,185,500	6,715	60,230	20,818	484,454	96,648	294,561	11,939,687	14,088,613	185,514	14,274,127
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 an 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	12,040,857	13,078,288	191,014	13,269,302

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual financial statements for the year ended 31 December 2010, 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 2011

Final

	9 months ended 30 September	
	2011	2010
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax		
- continuing operations	830,527	945,577
- discontinued operations	-	838,709
	830,527	1,784,286
Adjustments :-		
Non-cash items	(594,542)	(1,517,312)
Non-operating items	(42,803)	(63,317)
Operating profit before working capital changes	193,182	203,657
Working capital changes :-		
Net change in current assets	(214,634)	68,327
Net change in current liabilities	11,422	(17,038)
Cash (used in)/generated from operations	(10,030)	254,946
Tax paid	(47,527)	(25,137)
Net cash (used in)/generated from operating activities	(57,557)	229,809
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment properties, biological assets and other intangible assets	(123,234)	(80,539)
Proceeds from disposal of property, plant and equipment and investment properties	1,724	39,032
Purchase of investments	(29,691)	(3,361)
Proceeds from sale of investments	927	1,083,203
Repayment from associates	-	14,054
Dividends received	181,670	451,480
Interest received	23,370	27,596
Other investing activities	(113)	10,320
Net cash generated from investing activities	54,653	1,541,785
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital by a subsidiary	378,119	-
Bank borrowings	133,252	11,823
Interest paid	(4,179)	(3,933)
Dividends paid	(344,347)	(1,637,229)
Other financing activities	-	(6)
Net cash generated from/(used in) financing activities	162,845	(1,629,345)
Net increase in cash and cash equivalents	159,941	142,249
Cash and cash equivalents brought forward	923,471	731,010
Effect of exchange rate changes	1,213	(6,576)
Cash and cash equivalents carried forward	1,084,625	866,683
<u>Cash and cash equivalents represented by :-</u>		
Cash and bank balances	70,127	71,423
Bank deposits	1,015,451	796,026
Bank overdrafts	(953)	(766)
	1,084,625	866,683

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual financial statements for the year ended 31 December 2010, 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 2010 except for the adoption of the following revised FRSs, IC Interpretations, Amendments to FRSs and Amendments to IC Interpretations that are effective for financial periods beginning on or after 1 July 2010 or 1 January 2011 :-

FRS 3	Business Combinations (<i>revised</i>)
FRS 127	Consolidated and Separate Financial Statements (<i>revised</i>)
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation - Classification of Rights Issues
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"	

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

FRS 3: Business Combinations (*revised*)

The revised FRS 3 introduces the option to measure the non-controlling interests in a business combination either at fair value or at the non-controlling interest's proportionate share of identifiable assets acquired. Goodwill on acquisition will be measured as the difference between the aggregate of fair value of consideration transferred, any non-controlling interest in the acquiree and the fair value at the acquisition date of any previously held equity interest in the acquiree (if acquired via "piecemeal acquisition"), and the net identifiable assets acquired. Any bargain purchase (ie. "negative goodwill") will be recognised directly in the income statement. Any consideration transferred is to be measured at fair value as of the acquisition date. All acquisition-related costs are expensed off in the income statement.

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FRS 127: Consolidated and Separate Financial Statements (revised)

The revised FRS 127 requires that total comprehensive income must be proportionately allocated to the non-controlling interests, even if the non-controlling interests are in deficit position. Change in ownership interest which does not result in a loss of control is accounted for within equity instead of the income statement. Where the change in ownership interest results in loss of control, any remaining interest in the former subsidiary is remeasured at fair value and a gain or loss is recognised in the income statement.

The changes in the revised FRS 3 and FRS 127 will be applied prospectively and only affect future acquisitions or loss of control of subsidiaries and transactions with non-controlling interests.

IC Interpretation 12: Service Concession Arrangements

IC Interpretation 12 applies to service concession operators and prescribes how to account for the obligations undertaken and rights received in concession arrangements. The operator shall recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or an intangible asset to the extent that it receives a right (a licence) to charge users of the public service.

The Group has an indirect investment in a jointly controlled entity that is engaged in service concession arrangements. Upon adoption of IC Interpretation 12, the jointly controlled entity has applied the interpretation retrospectively and the comparative figures as at 31 December 2010 have been restated as follow :-

	As previously reported RM'000	Effects RM'000	Restated RM'000
Condensed Consolidated			
<u>Statement of Financial Position</u>			
Investment in jointly controlled entity	25,914	21,376	47,290
Non-controlling interests	<u>185,284</u>	<u>18,376</u>	<u>203,660</u>
Condensed Consolidated			
<u>Statement of Changes in Equity</u>			
Retained earnings	<u>12,178,608</u>	<u>3,000</u>	<u>12,181,608</u>

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.

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.

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A5. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity

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-11 RM'000	Cumulative Quarter 9 months ended 30-Sep-11 RM'000
<u>Dividends paid on ordinary shares</u>		
2010 : Final dividend - 18 sen per share single tier	-	213,390
2011 : Interim dividend - 10 sen per share single tier	118,550	118,550
	<u>118,550</u>	<u>331,940</u>

A7. Segmental reporting

Segmental information in respect of the Group's business segments for the period ended 30 September 2011

Business Segments:	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	Investments in equities	Other operations	Elimination	Total
<i>All figures in RM'000</i>											
REVENUE											
External revenue	1,105,443	283,998	207,062	105,881	73,643	26,837	63,386	20,508	79,584	-	1,966,342
Inter-segment sales	67,364	-	-	1,314	23,407	1,168	17,297	-	9,799	(120,349)	-
Total revenue	<u>1,172,807</u>	<u>283,998</u>	<u>207,062</u>	<u>107,195</u>	<u>97,050</u>	<u>28,005</u>	<u>80,683</u>	<u>20,508</u>	<u>89,383</u>	<u>(120,349)</u>	<u>1,966,342</u>
RESULTS											
Segment results	106,012	15,782	30,572	7,188	1,487	12,778	10,111	11,535	(6,135)	(708)	188,622
Share of associates' profits less losses	12,020	-	781	1,606	-	3,740	-	-	613,484	-	631,631
Share of joint venture's profit	-	-	-	2,711	-	-	-	-	-	-	2,711
Interest income											23,930
Finance costs											(3,827)
Unallocated corporate expenses											(12,540)
Profit before tax											<u>830,527</u>
ASSETS											
Segment assets	1,174,282	182,803	231,819	57,252	55,216	285,501	118,338	665,806	335,228	(91)	3,106,154
Investments in associates	78,216	-	4,018	34,099	-	119,279	-	-	10,619,962	-	10,855,574
Investment in jointly controlled entity	-	-	-	48,999	-	-	-	-	-	-	48,999
Bank deposits											1,015,451
Taxation											26,854
Other unallocated corporate assets											9,097
Total assets											<u>15,062,129</u>

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A8. 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.

A9. 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) On 25 January 2011, Golden Screen Cinemas Sdn Bhd, an indirect wholly-owned subsidiary of PPB, acquired the entire issued and paid-up share capital of RM2/- in Emerging Channel Sdn Bhd (“ECSB”) for a cash consideration of RM1,600/-. Arising therefrom, ECSB has become an indirect subsidiary of PPB.
- b) On 4 March 2011, Central Kedah Rubber Estates Sdn Bhd, an indirect wholly-owned subsidiary of PPB which had ceased business operations, commenced members’ voluntary winding up pursuant to Section 254(1)(b) of the Companies Act 1965. The liquidation is in progress.
- c) With the completion of the issuance of 55,781,250 new ordinary shares of RM1 each in FFM Berhad (“FFM”) to PGEO Group Sdn Bhd on 8 March 2011, FFM is now an 80%-owned subsidiary of PPB.
- d) On 25 March 2011, Emerging Channel Sdn Bhd subscribed for 60% equity interest in Kerry Golden Screen Limited (“KGSL”) comprising 1,200,000 ordinary shares of HKD1 each for cash at par. Arising therefrom, KGSL has become an indirect 60%-owned subsidiary of PPB.
- e) On 12 August 2011, Cathay Enterprises Sdn Bhd, an indirect 66.2%-owned subsidiary of PPB which had ceased business operations, commenced members’ voluntary winding up pursuant to Section 254(1)(b) of the Companies Act 1965. The liquidation is in progress.
- f) On 23 September 2011, Quintrine Company Limited, an indirect wholly-owned subsidiary of PPB which had ceased business operations, commenced members’ voluntary winding up pursuant to the Hong Kong Companies Ordinance. The liquidation is in progress.

A10. Changes in contingent liabilities or contingent assets

	As at 30-Sep-11 RM'000	As at 31-Dec-10 RM'000
<u>Contingent liabilities</u>		
Unsecured guarantees issued in consideration of credit facilities given to an associate	-	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 period to date**

Group revenue of RM1.97 billion for the 9 months ended 30 September 2011 was 19% higher than the RM1.66 billion for the same period last year. The increase was due mainly to higher flour revenue and an increase in grains trading volume recorded by the grains trading, flour and feed milling division. The environmental engineering, film exhibition and distribution, chemicals trading and manufacturing, livestock farming as well as consumer product divisions also contributed higher revenue for the period under review.

However, Group profit before tax declined by 12% to RM831 million compared with the corresponding period last year. Though the grains trading, flour, feed milling, environmental engineering and livestock farming divisions together with Wilmar International Limited, an associate of the Group, contributed higher profits, these were negated by a small gain of RM0.3 million this year vis-à-vis a far larger gain of RM94.3 million in property investment last year and the fair value loss of RM9.6 million in investments in equities this year as compared with a gain of RM18.2 million for the same period last year.

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

Group profit before tax decreased by 14% to RM252 million for the quarter under review compared with RM295 million in the preceding quarter. This was mainly due to lower contribution from Wilmar in the third quarter, despite better performance by the grains trading, flour and feed milling division.

B3. Prospects for current financial year

The global economy, particularly in the Eurozone, remains difficult and uncertain and key factors such as volatile commodity prices, rising fuel costs and fluctuating exchange rates will affect the performance of the Group.

Fortunately, consumer demand in Malaysia and Asia, the principal trading area of the Group, remains robust. Despite the difficult and uncertain global economic environment, the Group is confident its results for 2011 will be satisfactory.

B4. Variance of actual profit from forecast profit

Not applicable.

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B5. Taxation

Taxation comprises :-	Individual Quarter 3 months ended 30-Sep-11 RM'000	Cumulative Quarter 9 months ended 30-Sep-11 RM'000
Malaysian taxation based on profit for the period		
Current	7,929	28,823
Deferred	5,659	6,369
	13,588	35,192
Foreign taxation		
Current	2,136	2,976
	15,724	38,168
Under/(Over)provision		
Current	(3,180)	(4,450)
Deferred	71	(3,387)
	12,615	30,331

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

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

There were no sales of unquoted investments. However there was a RM0.3 million gain on the disposal of property for the first 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-11 RM'000	Cumulative Quarter 9 months ended 30-Sep-11 RM'000
Total purchases	58	29,656
Total proceeds from disposals	-	927
Net profit on disposals	-	655
	-	655

(b) Total investments in quoted securities as at 30 September 2011 were as follows :-

	RM'000
At cost	440,135
At carrying amount	665,378

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B8. Status of corporate proposals

On 2 December 2010, FFM Berhad (“FFM”), then a wholly-owned subsidiary of PPB entered into a subscription agreement with PGEO Group Sdn Bhd (“PGEO”), a wholly-owned subsidiary of Wilmar International Limited (“Wilmar”) for the proposed issuance of 55,781,250 new ordinary shares of RM1 each in FFM to PGEO (“FFM Share Issuance”). The FFM Share Issuance was completed on 8 March 2011.

FFM had on 2 December 2010 also entered into a memorandum of understanding with Wilmar for the proposed acquisition by Waikari Sdn Bhd, a wholly-owned subsidiary of FFM, of 20% equity interests in selected subsidiaries of Wilmar in the People’s Republic of China (“Selected Companies”). The parties are finalising the terms and documentation for several of the Selected Companies.

B9. Group borrowings

Total Group borrowings as at 30 September 2011 were as follows :-

	Total RM'000	Secured RM'000	Unsecured RM'000
Long term bank borrowings			
Long term bank loans (USD)	34,012	34,012	-
Long term bank loans (RMB)	8,449	-	8,449
Hire purchase liabilities (SGD)	42	42	-
Repayments due within the next 12 months	(13,002)	(10,179)	(2,823)
	<u>29,501</u>	<u>23,875</u>	<u>5,626</u>
Short term bank borrowings			
Bills payable	56,400	-	56,400
Short term loans	1,100	-	1,100
Short term loans (USD)	151,919	-	151,919
Current portion of long term loans	12,987	10,164	2,823
Hire purchase liabilities (SGD)	15	15	-
	<u>222,421</u>	<u>10,179</u>	<u>212,242</u>
Bank overdrafts	953	-	953
	<u>223,374</u>	<u>10,179</u>	<u>213,195</u>

B10. Financial Instruments

The outstanding forward currency, futures and options contracts as at 30 September 2011 were as follows :-

<u>Less than 1 year</u>	Contract/ <u>Notional value</u> RM'000	<u>Fair value</u> RM'000
Forward currency contracts	85,938	87,022
Futures and options contracts	<u>224,598</u>	<u>202,632</u>

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.

PPB GROUP BERHAD (8167-W)**B11. Material litigation**

There was no material litigation as at 15 November 2011.

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 2010/2011 and up to the date of this report are as follows :-

Financial Year	Type	Rate per share (all single tier)	Date paid
2010	Special dividend	65 sen	} 28 September 2010
2010	Interim dividend	5 sen	
2010	Final dividend	18 sen	10 June 2011
2011	Interim dividend	10 sen	28 September 2011

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 owners of the parent 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.

PPB GROUP BERHAD (8167-W)

B15. Realised and unrealised profits/losses

The retained profits of the Group are analysed as follows :-

	As at 30-Sep-11 RM'000	As at 31-Dec-10 RM'000 (Restated)
Total retained profits of the Company and its subsidiaries :-		
- Realised	11,754,542	11,596,784
- Unrealised	<u>(24,767)</u>	<u>(21,107)</u>
	11,729,775	11,575,677
Total share of retained profits from associates :-		
- Realised	85,679	71,892
- Unrealised	<u>(2,035)</u>	<u>(1,992)</u>
- Wilmar International Limited ("Wilmar") *	2,843,281	2,394,898
Total share of retained profits from jointly controlled entity :-		
- Realised	<u>10,637</u>	<u>9,945</u>
	14,667,337	14,050,420
Less : consolidation adjustments	<u>(2,148,277)</u>	<u>(1,868,812)</u>
Total Group retained profits as per consolidated accounts	<u><u>12,519,060</u></u>	<u><u>12,181,608</u></u>

* *Wilmar is not required to disclose the breakdown of realised and unrealised profits under the Singapore Financial Reporting Standards and the Singapore Companies Act, Cap 50. As the breakdown is considered sensitive information, it would not be appropriate for Wilmar to selectively disclose such information to any particular shareholder.*

Kuala Lumpur
22 November 2011

By Order of the Board
Mah Teck Keong
Company Secretary