

PPB GROUP BERHAD (8167-W)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER
ENDED 31 MARCH 2012

(The figures have not been audited)

Condensed Consolidated Income Statements For The Period Ended 31 March 2012

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 March		31 March	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Revenue	696,955	579,837	696,955	579,837
Operating expenses	(673,496)	(538,933)	(673,496)	(538,933)
Other operating income	36,228	19,510	36,228	19,510
Share of net profits less losses of associates	141,642	223,293	141,642	223,293
Share of profit of jointly controlled entity	865	871	865	871
Finance costs	(2,540)	(1,083)	(2,540)	(1,083)
Profit before tax	199,654	283,495	199,654	283,495
Income tax expense	(13,467)	(10,432)	(13,467)	(10,432)
Profit for the period	<u>186,187</u>	<u>273,063</u>	<u>186,187</u>	<u>273,063</u>
Attributable to :				
Owners of the parent	178,504	265,231	178,504	265,231
Non-controlling interests	7,683	7,832	7,683	7,832
Profit for the period	<u>186,187</u>	<u>273,063</u>	<u>186,187</u>	<u>273,063</u>
Basic earnings per share (sen)	<u>15.06</u>	<u>22.37</u>	<u>15.06</u>	<u>22.37</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2011, and the accompanying explanatory notes attached to this report.)

PPB GROUP BERHAD (8167-W)
Condensed Consolidated Statement Of Comprehensive Income
For The Period Ended 31 March 2012

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 March		31 March	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	186,187	273,063	186,187	273,063
<u>Other comprehensive income/(loss), net of tax</u>				
Exchange differences on translation of foreign operations	(364,127)	(210,827)	(364,127)	(210,827)
Fair value of available-for-sale financial assets :-				
- Gains/(Losses) arising during the period	105,122	(34,183)	105,122	(34,183)
- Reclassification adjustments to profit or loss upon disposal	(67)	(647)	(67)	(647)
Share of associates' other comprehensive (loss)/income	(50,048)	65,835	(50,048)	65,835
Total comprehensive (loss)/income	<u>(122,933)</u>	<u>93,241</u>	<u>(122,933)</u>	<u>93,241</u>
Attributable to :				
Owners of the parent	(126,595)	86,283	(126,595)	86,283
Non-controlling interests	3,662	6,958	3,662	6,958
Total comprehensive (loss)/income	<u>(122,933)</u>	<u>93,241</u>	<u>(122,933)</u>	<u>93,241</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 December 2011, and the accompanying explanatory notes attached to this report.)

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

	As at 31-Mar-12 RM'000	As at 31-Dec-11 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	1,012,847	1,017,844
Investment properties	215,021	214,695
Biological assets	2,590	2,600
Goodwill	74,617	74,617
Other intangible assets	1,286	1,398
Land held for property development	12,017	11,870
Investments in associates	10,801,033	11,040,554
Investment in jointly controlled entity	51,475	51,669
Other investments	702,667	598,567
Deferred tax assets	6,391	7,557
	<u>12,879,944</u>	<u>13,021,371</u>
Current Assets		
Inventories	382,065	474,159
Biological assets	15,822	16,860
Other intangible assets	11,059	12,013
Property development costs	42,038	43,736
Receivables	541,146	484,393
Derivative financial instruments	2,738	2,696
Cash, bank balances and deposits	1,036,278	1,134,522
	<u>2,031,146</u>	<u>2,168,379</u>
Non-current assets classified as held for sale	9,009	9,406
	<u>2,040,155</u>	<u>2,177,785</u>
TOTAL ASSETS	<u><u>14,920,099</u></u>	<u><u>15,199,156</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	1,185,500	1,185,500
Reserves	12,724,373	12,876,111
Equity attributable to owners of the parent	<u>13,909,873</u>	<u>14,061,611</u>
Non-controlling interests	500,109	503,515
Total equity	<u>14,409,982</u>	<u>14,565,126</u>

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

	As at 31-Mar-12 RM'000	As at 31-Dec-11 RM'000
Non-current Liabilities		
Long term borrowings	48,675	44,753
Deferred tax liabilities	79,382	79,800
	<u>128,057</u>	<u>124,553</u>
Current Liabilities		
Payables	264,380	287,981
Derivative financial instruments	6,380	4,264
Short term borrowings	109,031	213,150
Taxation	2,269	4,082
	<u>382,060</u>	<u>509,477</u>
Total liabilities	<u>510,117</u>	<u>634,030</u>
TOTAL EQUITY AND LIABILITIES	<u><u>14,920,099</u></u>	<u><u>15,199,156</u></u>
Net assets per share attributable to owners of the parent (RM)	<u>11.73</u>	<u>11.86</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual financial statements for the year ended 31 December 2011, 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 31 March 2012

	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			
<u>3 months ended 31 March 2012</u>											
At 1 January 2012	1,185,500	6,715	60,942	(630,158)	166,319	32,041	328,878	12,911,374	14,061,611	503,515	14,565,126
Total comprehensive income	-	-	-	(306,243)	105,043	(34,104)	(69,795)	178,504	(126,595)	3,662	(122,933)
Transfer of reserves	-	-	(68)	-	-	-	(2,304)	2,372	-	-	-
Acquisition of an existing subsidiary	-	-	-	-	-	-	-	(25,143)	(25,143)	(7,068)	(32,211)
At 31 March 2012	1,185,500	6,715	60,874	(936,401)	271,362	(2,063)	256,779	13,067,107	13,909,873	500,109	14,409,982
<u>3 months ended 31 March 2011</u>											
At 1 January 2011	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
As previously reported	-	-	-	-	-	-	-	3,000	3,000	18,376	21,376
Effects of adopting IC Interpretation 12	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	(167,541)	(34,843)	21,988	1,448	265,231	86,283	6,958	93,241
Transfer of reserves	-	-	(114)	-	-	-	3,978	(3,864)	-	-	-
Dilution of interest in a subsidiary	-	-	-	8,180	-	-	257,654	(93,712)	172,122	205,997	378,119
At 31 March 2011	1,185,500	6,715	61,284	(1,110,315)	483,994	(9,203)	568,393	12,349,263	13,535,631	416,615	13,952,246

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual financial statements for the year ended 31 December 2011, and the accompanying explanatory notes attached to this report.)

PPB GROUP BERHAD (8167-W)
Condensed Consolidated Statement Of Cash Flows
For The Period Ended 31 March 2012

Final

	3 months ended 31 March	
	2012	2011
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	199,654	283,495
Adjustments :-		
Non-cash items	(128,723)	(204,732)
Non-operating items	(6,201)	(8,263)
Operating profit before working capital changes	64,730	70,500
Working capital changes :-		
Net change in current assets	34,618	(87,153)
Net change in current liabilities	(14,133)	(22,650)
Cash generated from/(used in) operations	85,215	(39,303)
Tax paid	(7,749)	(15,342)
Net cash generated from/(used in) operating activities	77,466	(54,645)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment properties, biological assets and other intangible assets	(30,568)	(33,207)
Proceeds from disposal of property, plant and equipment and investment properties	622	1,133
Purchase of investments	(54,390)	(29,633)
Proceeds from sale of investments	1,747	911
Dividends received	596	6,632
Interest received	7,544	6,418
Other investing activities	(528)	(804)
Net cash used in investing activities	(74,977)	(48,550)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital by a subsidiary	-	378,119
Bank borrowings	(94,807)	(20,625)
Interest paid	(3,855)	(1,892)
Other financing activities	387	-
Net cash (used in)/generated from financing activities	(98,275)	355,602
Net (decrease)/increase in cash and cash equivalents	(95,786)	252,407
Cash and cash equivalents brought forward	1,132,923	923,471
Effect of exchange rate changes	(2,038)	(2,418)
Cash and cash equivalents carried forward	1,035,099	1,173,460
<u>Cash and cash equivalents represented by :-</u>		
Cash and bank balances	110,930	64,783
Bank deposits	925,348	1,109,794
Bank overdrafts	(1,179)	(1,117)
	1,035,099	1,173,460

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual financial statements for the year ended 31 December 2011, and the accompanying explanatory notes attached to this report.)

NOTES**A. Financial Reporting Standard (FRS) 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 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 2011 except for the adoption of the following revised FRS, Amendments to FRS and IC Interpretations that are effective for financial periods beginning on or after 1 July 2011 or 1 January 2012 :-

FRS 124	Related Party Disclosures (revised)
Amendments to FRS 7	Disclosures - Transfer of Financial Assets
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

The adoption of the above revised FRS, Amendments to FRS and IC Interpretations does not have any significant financial impact on the Group.

Malaysia Financial Reporting Standards ("MFRS")

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the MFRS.

The MFRS framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 - Agriculture and IC Interpretation 15 - Agreements for Construction of Real Estate, including the entities parent, significant investor and venturer (herein referred to as "Transitioning Entities").

Transitioning Entities are allowed to defer adoption of the new MFRS framework for an additional one year, i.e. to annual periods beginning on or after 1 January 2013, after which the MFRS framework will become mandatory.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new MFRS framework to 1 January 2013. Accordingly, the Group will be required to prepare its first MFRS financial statements for the year ending 31 December 2013.

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.

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

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 2012

Business Segments:	Grains trading, flour and feed milling	Marketing, distribution & manufacturing of consumer products	Film exhibition and distribution	Environmental engineering, waste management and utilities	Property investment and development	Chemicals trading and manufacturing	Livestock farming	Investments in equities	Other operations	Elimination	Total
<i>All figures in RM'000</i>											
REVENUE											
External revenue	412,937	96,923	68,887	29,799	19,103	20,107	13,549	395	35,255	-	696,955
Inter-segment sales	23,149	-	-	-	562	5,897	5,945	-	3,387	(38,940)	-
Total revenue	436,086	96,923	68,887	29,799	19,665	26,004	19,494	395	38,642	(38,940)	696,955
RESULTS											
Segment results	43,583	4,326	8,243	925	5,905	100	(6,324)	1,941	(3,114)	386	55,971
Share of associates' profits less losses	1,883	-	163	586	(1,931)	-	-	-	140,941	-	141,642
Share of joint venture's profit	-	-	-	865	-	-	-	-	-	-	865
Interest income											7,602
Finance costs											(2,540)
Unallocated corporate expenses											(3,886)
Profit before tax											199,654
ASSETS											
Segment assets	1,115,120	202,586	223,928	55,094	296,899	50,343	111,783	702,666	351,881	(38)	3,110,262
Investments in associates	106,730	-	4,304	32,499	117,991	-	-	-	10,539,509	-	10,801,033
Investment in jointly controlled entity	-	-	-	51,475	-	-	-	-	-	-	51,475
Bank deposits											925,348
Taxation											23,476
Other unallocated corporate assets											8,505
Total assets											14,920,099

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 14 February 2012, PPB Leisure Holdings Sdn Bhd ("PPBL"), a wholly-owned subsidiary of PPB completed the acquisition of the remaining 3,643,828 ordinary share of RM1 each in Cathay Screen Cinemas Sdn Bhd ("CSC"), then an existing 68.3% subsidiary of PPBL, for a cash consideration of RM32.2 million. Pursuant to this acquisition, CSC has become a wholly-owned subsidiary of PPBL.

A10. Changes in contingent liabilities or contingent assets

There were no changes in contingent assets and contingent liabilities since the end of the last annual reporting period.

B. BMSB Listing Requirements (Part A of Appendix 9B)**B1. Analysis of performance for the financial period to-date**

Group revenue increased by 20% to RM697 million in 1Q2012 as compared with RM580 million in 1Q2011, mainly attributed to higher revenue from the grains trading, flour and feed milling division. The property division's revenue increased significantly due to the sale of its newly launched high-end residential properties in Bukit Segar, Kuala Lumpur. All other divisions recorded higher revenue in the quarter under review with the exception of chemicals, livestock and investments divisions.

Group profit before tax decreased by 30% to RM200 million in 1Q2012 compared with RM283 million in 1Q2011. Higher profits were recorded by grains trading, flour and feed milling, property, and investments. However, the other operating divisions as well as Wilmar International Limited ("Wilmar"), an associate of PPB, reported lower profits in 1Q2012.

Group financial performance by business segment

	1Q2012	1Q2011	Variance	
	RM'000	RM'000	RM'000	%
Revenue				
- Grains trading, flour and feed milling	436,086	336,656	99,430	30%
- Marketing, distribution and manufacturing of consumer products	96,923	92,077	4,846	5%
- Film exhibition and distribution	68,887	64,932	3,955	6%
- Environmental engineering, waste management and utilities	29,799	29,495	304	1%
- Property investment and development	19,665	9,147	10,518	>100%
- Chemicals, Livestock, Investments and Other operations	84,535	85,621	(1,086)	-1%
- Elimination	(38,940)	(38,091)	(849)	-2%
Total revenue	696,955	579,837	117,118	20%

	1Q2012	1Q2011	Variance	
	RM'000	RM'000	RM'000	%
Profit before tax				
- Grains trading, flour and feed milling	43,583	39,632	3,951	10%
- Marketing, distribution and manufacturing of consumer products	4,326	4,892	(566)	-12%
- Film exhibition and distribution	8,243	9,926	(1,683)	-17%
- Environmental engineering, waste management and utilities	925	996	(71)	-7%
- Property investment and development	5,905	4,697	1,208	26%
- Chemicals, Livestock, Investments and Other operations	(7,397)	(3,453)	(3,944)	>-100%
- Elimination	386	198	188	95%
Segment results	55,971	56,888	(917)	-2%
- Share of associates and joint venture's profits less losses	142,507	224,164	(81,657)	-36%
- Interest income, finance costs and unallocated expenses	1,176	2,443	(1,267)	-52%
Total profit before tax	199,654	283,495	(83,841)	-30%

Grains trading, flour and feed milling

Revenue climbed 30% to RM436 million in 1Q2012 compared with RM337 million in 1Q2011 primarily driven by higher grains trading volume and higher flour and feed sales.

Profit before tax grew by 10% to RM44 million in 1Q2012 compared with RM40 million in 1Q2011 which was in line with the growth in revenue.

Marketing, distribution and manufacturing of consumer products

Revenue achieved in 1Q2012 of RM97 million was slightly higher compared with RM92 million in 1Q2011 mainly due to increased sales.

The marginally lower profit before tax recorded of RM4.3 million in 1Q2012 compared with RM4.9 million in 1Q2011 was mainly caused by higher promotional expenses incurred.

Film exhibition and distribution

Revenue increased by 6% to RM69 million in 1Q2012 compared with RM65 million in 1Q2011 mainly due to improved cinema collections from higher average ticket prices.

Profit before tax for 1Q2012 was down by 17% to RM8.2 million compared with RM9.9 million in 1Q2011 mainly due to lower profit contribution from film distribution arising from weaker Chinese New Year titles and fewer major movies released in the quarter under review.

Environmental engineering, waste management and utilities

Revenue and profits derived from several environmental engineering projects in the quarter under review were broadly similar to the same quarter in 2011. Revenue improved marginally to RM29.8 million in 1Q2012 compared with RM29.5 million in 1Q2011. The division registered profit before tax of RM0.9 million in 1Q2012 compared with RM1 million in 1Q2011.

Property investment and development

Revenue in 1Q2012 jumped to RM19.7 million compared with RM9.1 million in 1Q2011 mainly due to property sales from the newly launched bungalows in Bukit Segar, Kuala Lumpur and sale of semi-detached houses in Taman Tanah Aman, Seberang Prai Tengah.

Profit before tax also improved to RM5.9 million in 1Q2012 from RM4.7 million in 1Q2011.

Chemicals trading and manufacturing, Livestock farming, Investments in equities and Other operations

Revenue reduced by 1% in 1Q2012 to RM84.5 million compared with RM85.6 million in 1Q2011. This was mainly due to lower sales achieved by the chemical trading and manufacturing division from lower contract orders. Livestock farming division contributed lower revenue mainly due to depressed selling prices.

The investments division reported a fair value gain in investment in an equity which was offset by a larger loss incurred by livestock farming division primarily due to lower selling prices. This has resulted a higher loss before tax of RM7.4 million in 1Q2012 compared with RM3.5 million in 1Q2011.

Share of associates and joint venture's profits less losses

Wilmar contributed lower profits of RM141 million in 1Q2012 compared with RM216 million in 1Q2011 due mainly to lower oilseeds and grains margins.

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

	1Q2012	4Q2011	Variance	
	RM'000	RM'000	RM'000	%
Profit before tax				
- Grains trading, flour and feed milling	43,583	28,987	14,596	50%
- Marketing, distribution and manufacturing of consumer products	4,326	3,621	705	19%
- Film exhibition and distribution	8,243	6,855	1,388	20%
- Environmental engineering, waste management and utilities	925	2,597	(1,672)	-64%
- Property investment and development	5,905	2,791	3,114	>100%
- Chemicals, Livestock, Investments and Other operations	(7,397)	(4,682)	(2,715)	-58%
- Elimination	386	(404)	790	>100%
Segment results	55,971	39,765	16,206	41%
- Share of associates and joint venture's profits less losses	142,507	184,842	(42,335)	-23%
- Interest income, finance costs and unallocated expenses	1,176	1,446	(270)	-19%
Total profit before tax	199,654	226,053	(26,399)	-12%

Total Group profit before tax for 1Q2012 of RM200 million was 12% lower than the RM226 million in 4Q2011. The lower contribution from the environmental engineering, waste management and utilities division was due to most of the projects being at completion stage and profits had been progressively recognised in the previous periods. In addition, the livestock farming division registered a loss due to lower selling prices.

Whilst the grains trading, flour and feed milling division, the property division and the film exhibition and distribution division managed to record higher profits, the contribution from Wilmar had reduced by RM36.9 million.

B3. Prospects for the next financial year

The global economy continues to be uncertain in 2012, particularly with the Eurozone problems and slower growth reported by the advanced/emerging economies. The volatility of commodity prices and foreign exchange rates will continue to present challenges to the Group's businesses.

Management is mindful of such challenges and will implement appropriate measures to facilitate growth of the Group's businesses in the coming quarters. The Group is on track with its investment in the flour businesses and the status of these investments are disclosed in note B7 below.

The Group's operations are mainly located in the ASEAN countries and China where the outlook for consumer demand in these countries remains encouraging. The Group is optimistic that the performance for the year 2012 will be satisfactory.

B4. Variance of actual profit from forecast profit

Not applicable.

B5. Profit before tax

	Individual Quarter 3 months ended 31-Mar-12 RM'000	Cumulative Quarter 3 months ended 31-Mar-12 RM'000
Profit before tax is stated after crediting :-		
Dividend income	396	396
Fair value gain on derivatives	9,641	9,641
Foreign exchange gain	4,902	4,902
Gain on disposal of properties	234	234
Gain on disposal of quoted investments	189	189
Interest income	7,602	7,602
Rental income	743	743
Gain on financial assets at fair value through profit or loss	<u>1,068</u>	<u>1,068</u>
Profit before tax is stated after charging :-		
Allowance for impairment and write off of receivables	(45)	(45)
Depreciation and amortisation	(20,638)	(20,638)
Fair value loss on derivatives	(7,246)	(7,246)
Foreign exchange loss	(7,918)	(7,918)
Interest expense	<u>(2,540)</u>	<u>(2,540)</u>

Other than the items highlighted above, there were no exceptional items for the current quarter and financial period ended 31 March 2012.

B6. Taxation

Taxation comprises :-	Individual Quarter 3 months ended 31-Mar-12 RM'000	Cumulative Quarter 3 months ended 31-Mar-12 RM'000
Malaysian taxation based on profit for the period		
Current	12,554	12,554
Deferred	316	316
	<u>12,870</u>	<u>12,870</u>
Foreign taxation		
Current	1,218	1,218
Deferred	104	104
	<u>14,192</u>	<u>14,192</u>
Under/(Over)provision		
Current	9	9
Deferred	(734)	(734)
	<u>13,467</u>	<u>13,467</u>

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

B7. Status of corporate proposals

- a) FFM Berhad, an 80%-subsidiary of PPB, had on 2 December 2010 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. Waikari has entered into the respective agreements for the proposed acquisition of/subscription for 20% equity interest in the following entities :-

Name of entity	Date of agreement	Status
1. Yihai Kerry (Quanzhou) Oils, Grains & Foodstuffs Industries Co., Ltd	30 November 2011	Completed on 20 January 2012
2. Yihai Kerry (Anyang) Foodstuffs Industries Co., Ltd	30 November 2011	Completed on 3 February 2012
3. Yihai (Chongqing) Foodstuffs Co., Ltd	5 December 2011	Completed on 29 December 2011
4. Yihai Kerry (Beijing) Oils, Grains & Foodstuffs Industries Co., Ltd	23 December 2011	Pending authority approval
5. Yihai Kerry (Shenyang) Oils, Grains & Foodstuffs Industries Co., Ltd	23 December 2011	Authority approvals obtained
6. Dongguan Yihai Kerry Oils, Grains & Foodstuffs Industries Co., Ltd	30 December 2011	Authority approvals obtained
7. Yihai (Zhoukou) Wheat Industries Co., Ltd	30 December 2011	Completed on 2 February 2012

- b) Glowland Limited ("Glowland"), a wholly-owned subsidiary of FFM had on 15 February 2012 entered into an agreement with Siteki Investments Pte Ltd ("Siteki") under which Glowland and Siteki will contribute 51% and 49% respectively to the charter capital of VFM-Wilmar Flour Mills Company Limited ("VFM-Wilmar"), a limited liability company proposed to be established in the Socialist Republic of Vietnam for the purpose of carrying out the business of wheat flour milling and the sale of flour, flour-based products and by-products. The investment certificate for the proposed wheat flour mill project by VFM-Wilmar was issued on 22 February 2012.

B8. Group borrowings

Total Group borrowings as at 31 March 2012 were as follows :-

	Total RM'000	Secured RM'000	Unsecured RM'000
Long term bank borrowings			
Long term bank loans (USD)	53,025	53,025	-
Long term bank loans (RMB)	8,215	-	8,215
Hire purchase liabilities (SGD)	36	36	-
Repayments due within the next 12 months	(12,601)	(9,856)	(2,745)
	<u>48,675</u>	<u>43,205</u>	<u>5,470</u>
Short term bank borrowings			
Short term loans	1,250	-	1,250
Short term loans (USD)	94,001	-	94,001
Current portion of long term loans	12,586	9,841	2,745
Hire purchase liabilities (SGD)	15	15	-
	<u>107,852</u>	<u>9,856</u>	<u>97,996</u>
Bank overdrafts	1,179	-	1,179
	<u>109,031</u>	<u>9,856</u>	<u>99,175</u>

B9. Material litigation

There was no material litigation as at 17 May 2012.

B10. Dividend

The final single tier dividend for the financial year ended 31 December 2011 of 13 sen per share was approved by shareholders at the 43rd Annual General Meeting held on 24 May 2012, and will be paid on 15 June 2012.

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

Dividends paid/payable

Dividends paid/payable for the financial year 2011 and up to the date of this report are as follows :-

Financial Year	Type	Rate per share (all single tier)	Date paid/payable
2011	Interim dividend	10 sen	28 September 2011
2011	Final dividend	13 sen	15 June 2012

B11. 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.

B12. Disclosure of audit report qualification and status of matters raised

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

B13. Realised and unrealised profits/losses

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

	As at 31-Mar-12 RM'000	As at 31-Dec-11 RM'000
Total retained profits of the Company and its subsidiaries :-		
- Realised	11,971,076	11,950,131
- Unrealised	(48,937)	(44,950)
	<u>11,922,139</u>	<u>11,905,181</u>
Total share of retained profits from associates :-		
- Realised	83,655	81,735
- Unrealised	1,644	1,367
- Wilmar International Limited ("Wilmar") *	3,154,138	3,011,693
Total share of retained profits from jointly controlled entity :-		
- Realised	6,221	6,255
- Unrealised	1,737	1,794
	<u>15,169,534</u>	<u>15,008,025</u>
Less : consolidation adjustments	(2,102,427)	(2,096,651)
Total Group retained profits as per consolidated accounts	<u><u>13,067,107</u></u>	<u><u>12,911,374</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
24 May 2012

By Order of the Board
Mah Teck Keong
Company Secretary