



PPB GROUP BERHAD

Press and Analyst Briefing Unaudited 1H2012 Results 5 September 2012

Disclaimer: The contents of this presentation include materials which may be capable of being interpreted as forward-looking statements. Such statements are merely estimates and targets, based on circumstances and reasonable assumptions which apply only at the date of such statements. Accordingly, no reliance should be placed on any forward-looking statements, express or implied, contained in this presentation.

Agenda

-  **Group Financial Highlights**
-  **Review of Major Operations**
-  **5-Year Financial Performance**
-  **Capital Commitments**
-  **Dividend Record**
-  **Share Performance**
-  **Prospects for 2012**



Group Financial Highlights

Financial Results FOR THE 6 MONTHS ENDED 30 JUNE 2012



**PPB Group
Operations**

-  **Grains Trading, Flour & Feed Milling**
-  **Marketing , Distribution & Manufacturing of Consumer Products**
-  **Film Exhibition & Distribution**
-  **Waste Management & Utilities**
-  **Property Investment & Development**
-  **Chemicals, Livestock, Investments & Other Operations**

Financial Results FOR THE 6 MONTHS ENDED 30 JUNE 2012

(All figures in RM)	2012	2011	CHANGE
Revenue	1.46 bil	1.26 bil	↑ 16%
Operating Expenses	1.39 bil	1.17 bil	↑ 19%
PBT	324 mil	578 mil	↓ 44%
Profit for the Period	302 mil	560 mil	↓ 46%
EPS	24.20 sen	45.69 sen	↓ 47%
*Share of Wilmar's Profit	209 mil	432 mil	↓ 52%

Financial Ratios FOR THE 6 MONTHS ENDED 30 JUNE 2012

	2012	2011	CHANGE
EPS	24.20 sen	45.69 sen	↓ 47%
ROE Attributable to Owners of the Parent	2.0%	4.0%	↓ 50%
Net Assets Per Share Attributable to Owners of the Parent	RM11.97	RM11.41	↑ 5%

Segmental Information FOR THE 6 MONTHS ENDED 30 JUNE 2012

**TOTAL
REVENUE
RM1.46 bil**

58.95% Grains Trading, Flour & Feed Milling

**12.48% Marketing, Distribution & Manufacturing
of Consumer Products**

9.27% Film Exhibition & Distribution

3.89% Waste Management & Utilities

2.63% Property Investment & Development

12.78% Chemicals, Livestock, Investments & Others*

** Chemicals Trading & Manufacturing [3.62%], Livestock Farming [2.55%], Investment Income [0.51%] & Others [6.1%]*

Segmental Information FOR THE 6 MONTHS ENDED 30 JUNE 2012

**TOTAL
SEGMENT
PROFITS
RM104 mil**

63.47% Grains Trading, Flour & Feed Milling

18.82% Film Exhibition & Distribution

12.53% Property Investment & Development

**8.37% Marketing, Distribution & Manufacturing
of Consumer Products**

4.88% Waste Management & Utilities

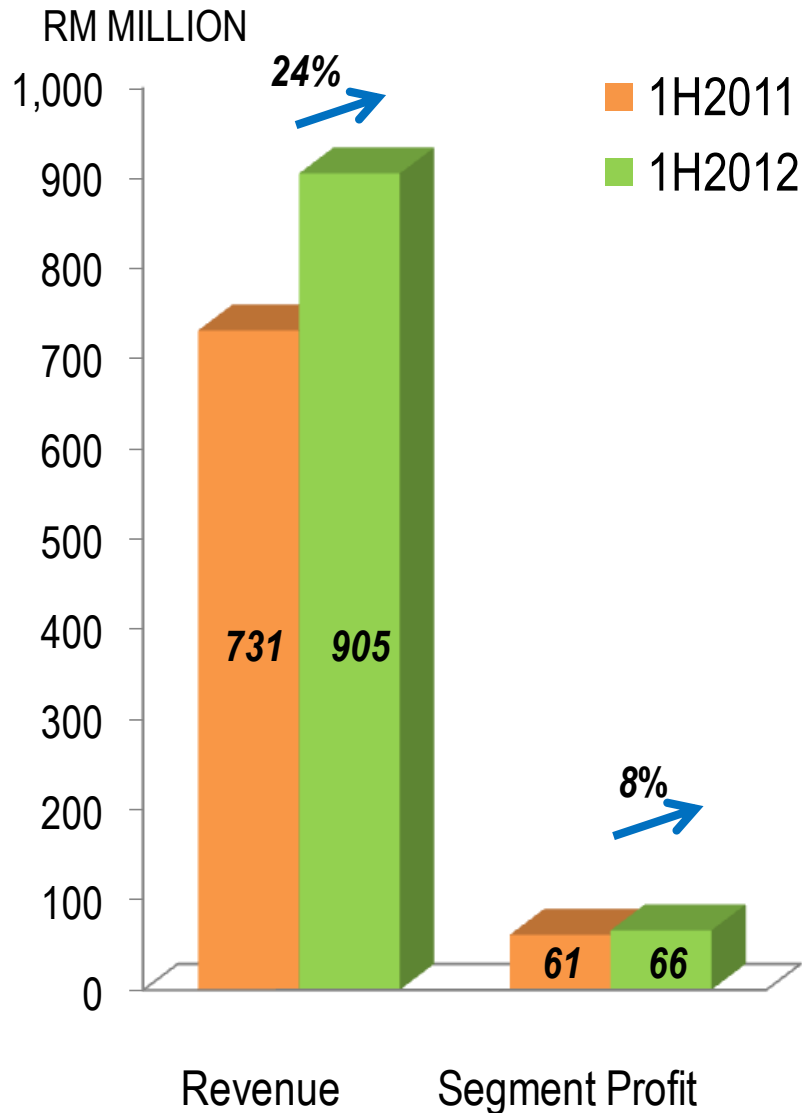
-8.07% Chemicals, Livestock, Investments & Others*

** Chemicals Trading & Manufacturing [0.41%], Livestock Farming [-11.43%], Investment Income [6.84%] & Others [-3.89%]*





Review Of Major Operations

Review of Major Operations

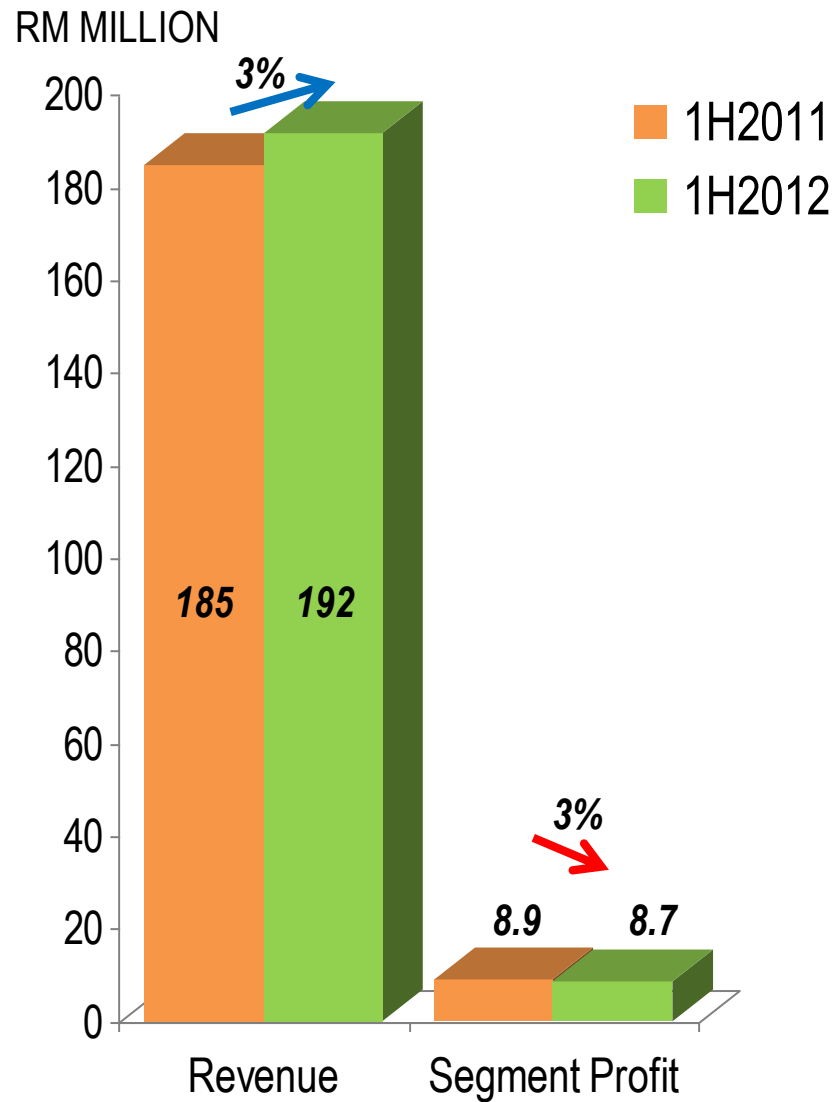


GRAINS TRADING, FLOUR AND FEED MILLING


 The significant increase in revenue for 1H2012 was primarily driven by higher grains trading volume and higher flour and feed sales.


The higher segment profit was  in line with the growth in revenue.

Review of Major Operations

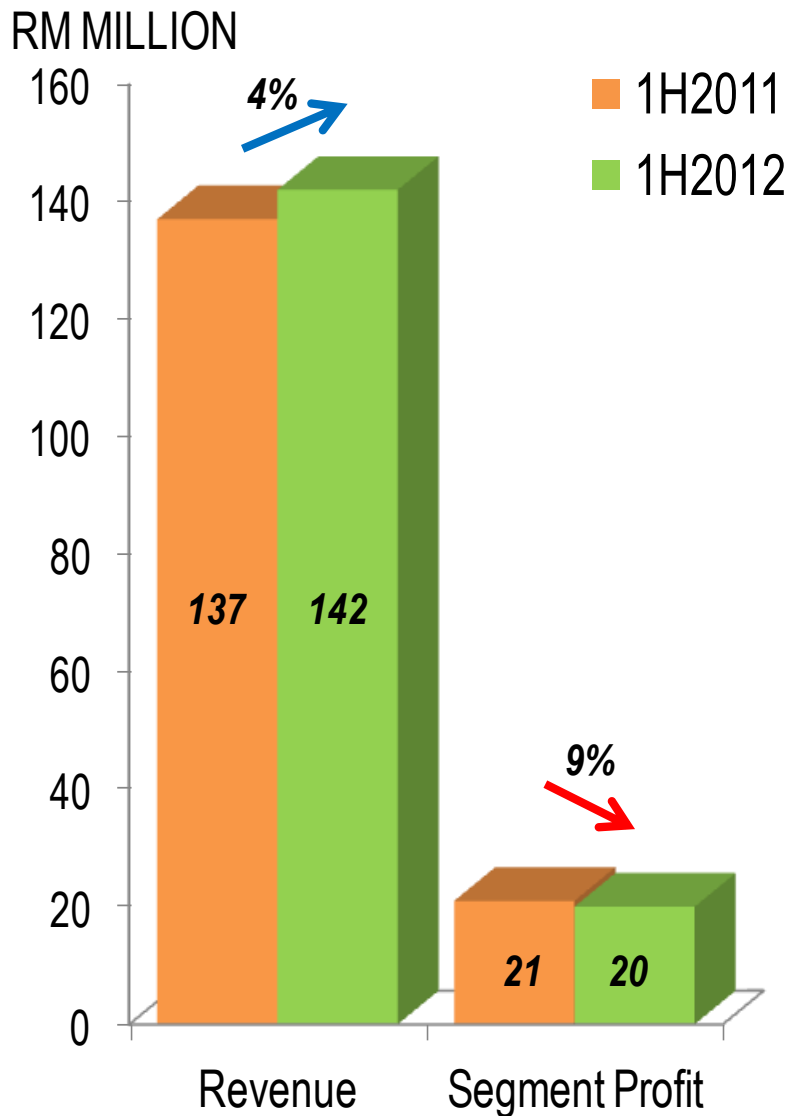


MARKETING, DISTRIBUTION & MANUFACTURING OF CONSUMER PRODUCTS


 Revenue improved due to increased sales.

 Segment profit decreased mainly due to higher promotional expenses incurred.

Review of Major Operations

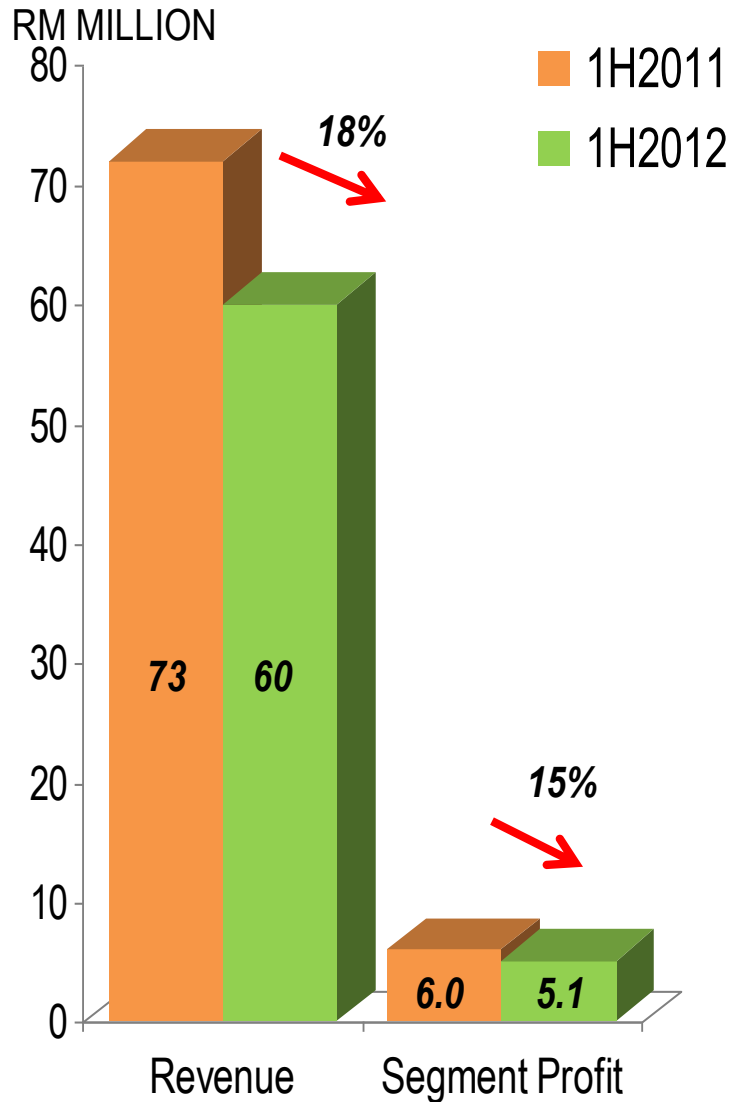


FILM EXHIBITION AND DISTRIBUTION


 Revenue for 1H2012 increase due to improved cinema collections, higher concession sales and increased screen advertising revenue.

 Segment profit declined due to lower contribution from film distribution.

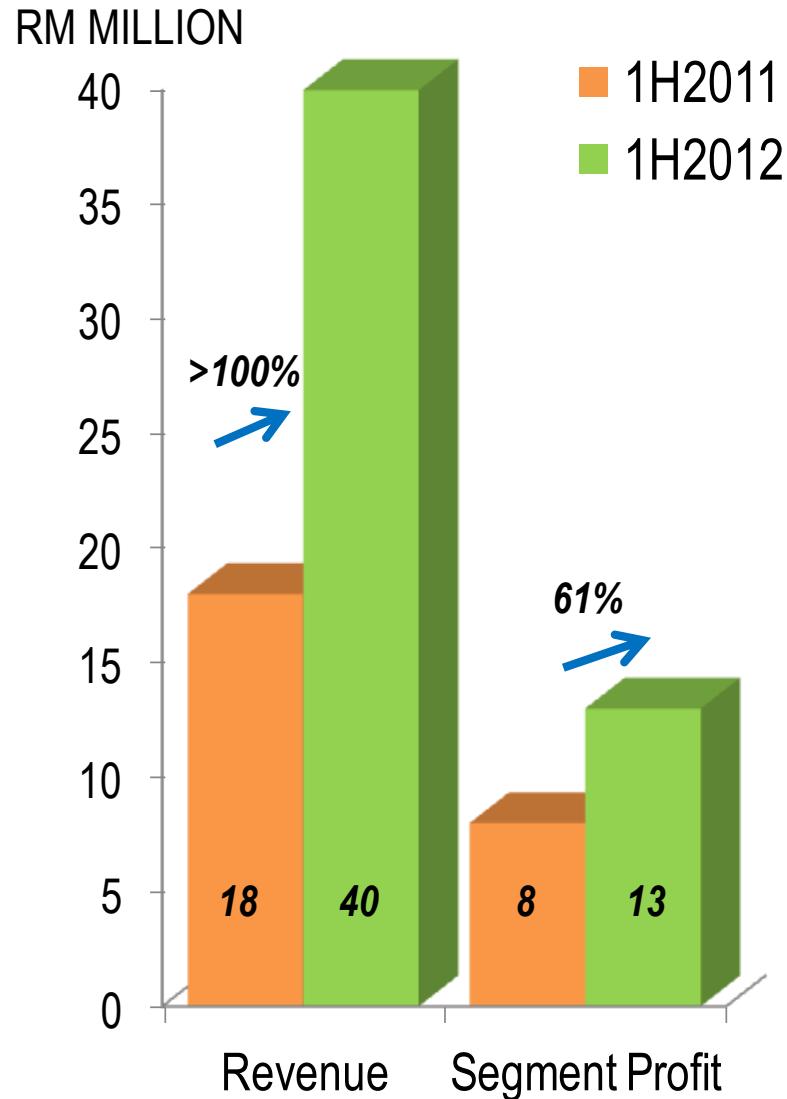
Review of Major Operations



ENVIRONMENTAL ENGINEERING, WASTE MANAGEMENT & UTILITIES

 Revenue and segment profit declined as most of the environmental engineering projects were at completion stages. Most of the segment revenue and profit were progressively recognised in the previous periods.

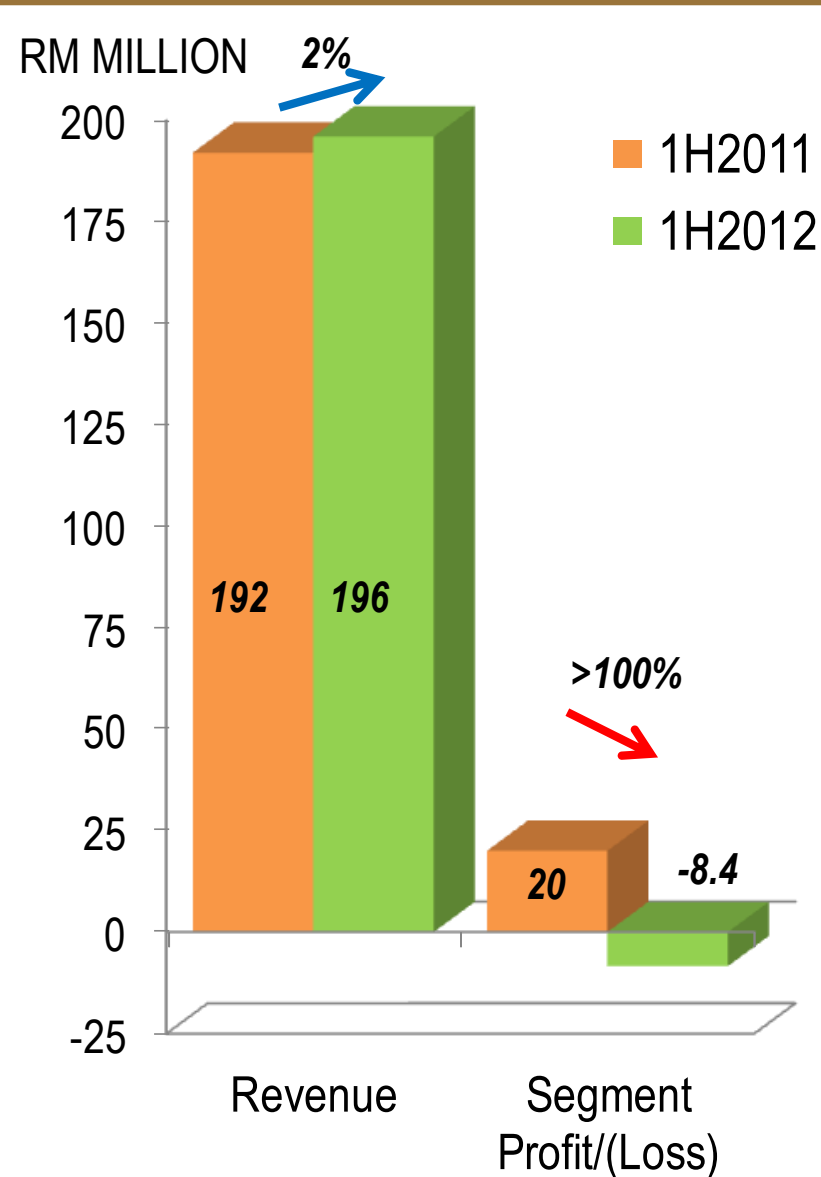
Review of Major Operations



PROPERTY INVESTMENT & DEVELOPMENT

- Revenue for 1H2012 increased significantly with the sale of bungalows in Bukit Segar, Kuala Lumpur and semi-detached houses in Taman Tanah Aman, Seberang Prai Tengah.
- Segment profit increased in line with higher revenue.

Review of Major Operations



CHEMICALS, LIVESTOCK, INVESTMENTS & OTHER OPERATIONS

The marginal increase in revenue was mainly contributed by the increase bakery sales despite lower revenue recorded by the chemicals, livestock and investments divisions.

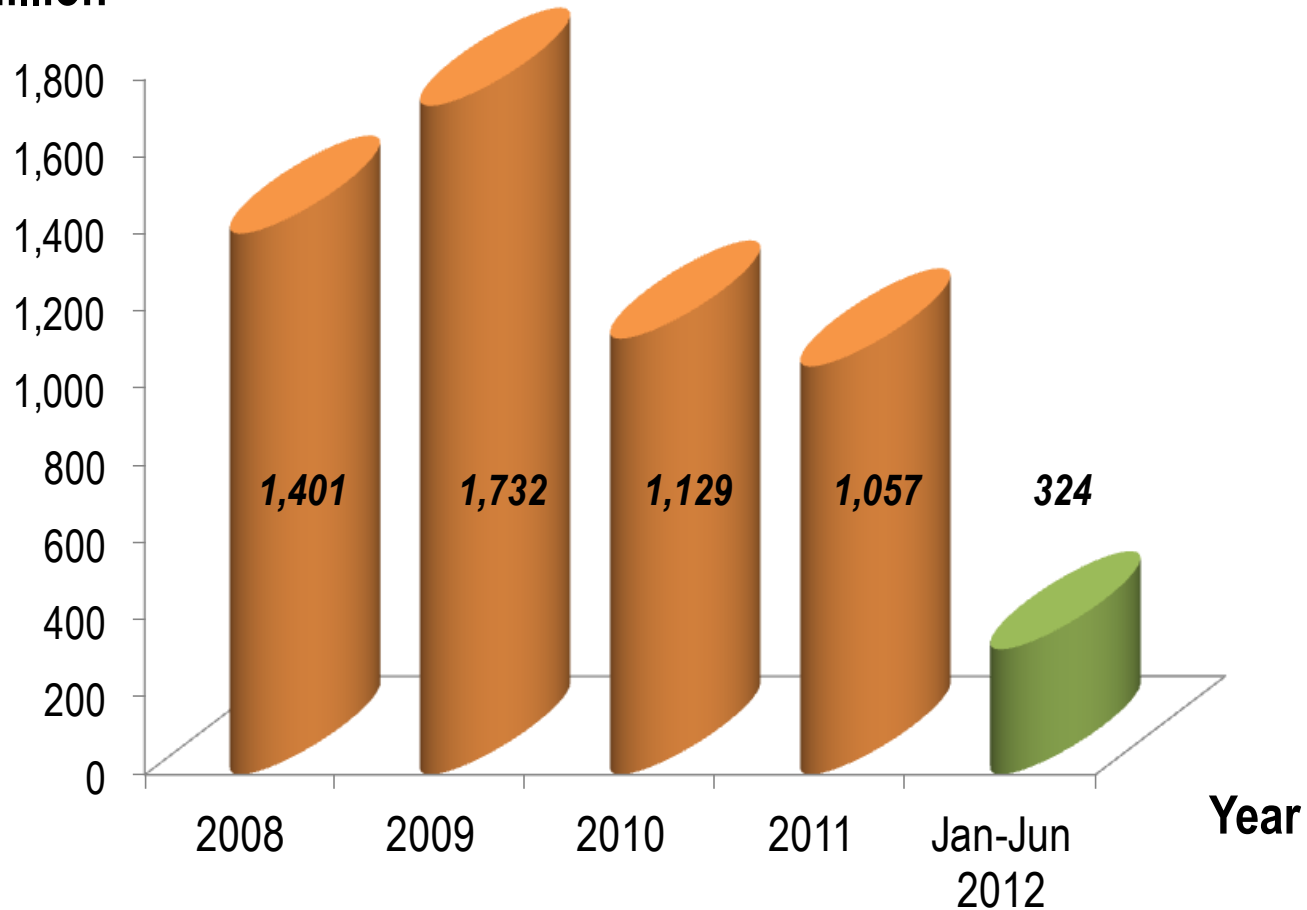
Segment losses were mainly from losses incurred by the livestock farming division and lower dividend income.



5-Year Financial Performance

5-Year PBT of PPB Group

RM Million



Note : PBT for FY2010 excludes the gain of RM841 million from the disposal of the sugar-related assets. If the profit is included, the PBT would be RM1.970 billion

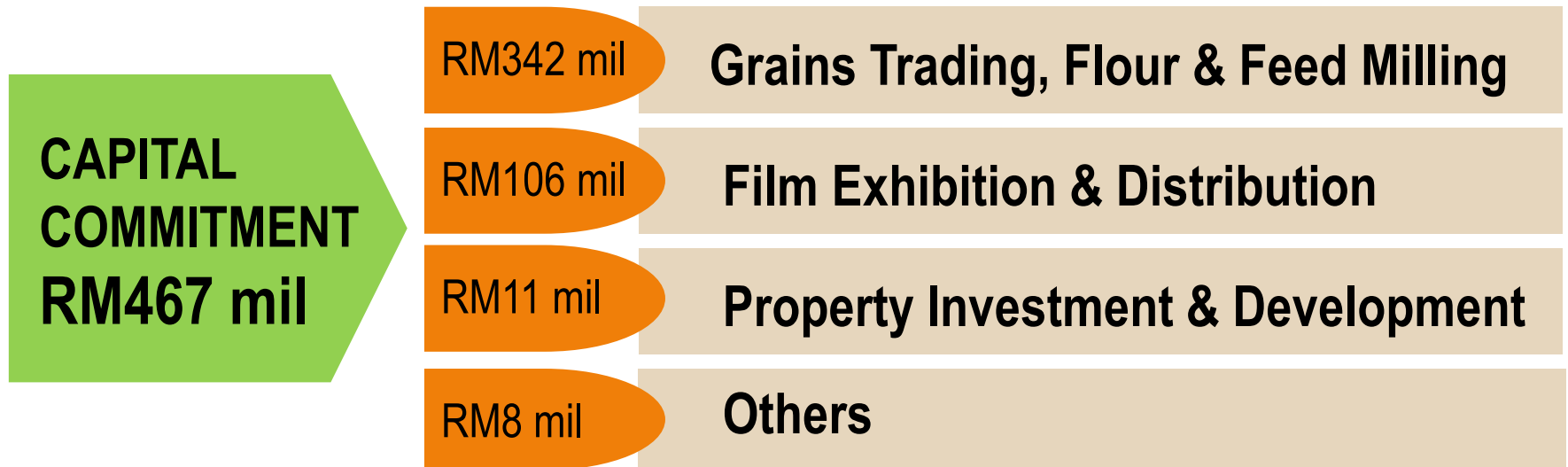


Capital Commitments

Capital Commitments

(All figures in RM'million)	2012
Capital Commitment at 1-1-2012	508
Project Revision	106
	614
Amount Spent	(147)
Balance to be Spent	467

Capital Commitments by Segments





Dividend Record

Dividend Record

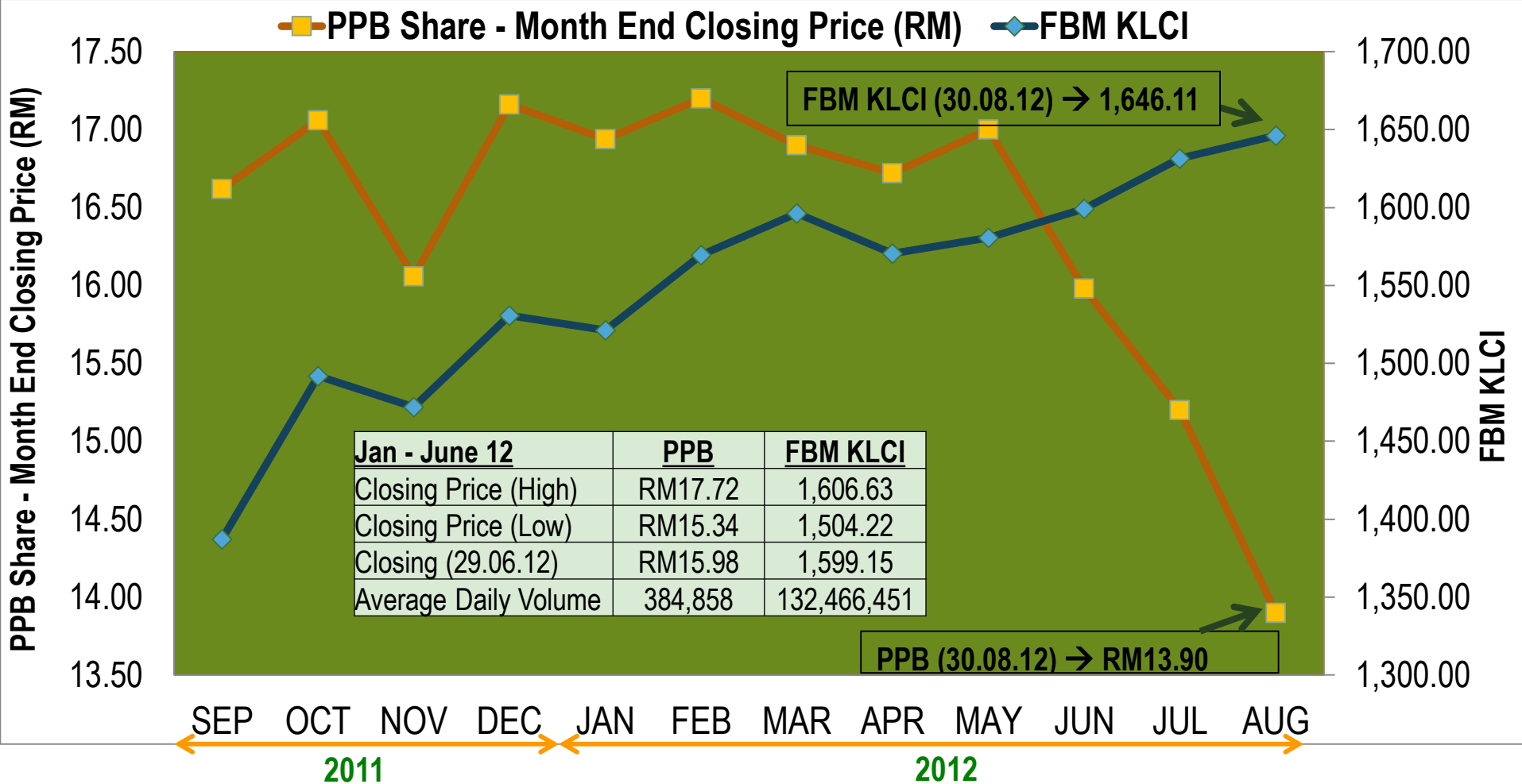
	Dividend Per Share		Net Dividend	Net Dividend	Payout Ratio	
	Gross	Net	Paid/payable	Yield	Group	Company
Year	(sen)	(sen)	(RM Million)	(%)	(%)	(%)
2012 Interim	7	7	82.985	0.4	28.9	84.1
2011	23	23	272.665	1.3	27.8	28.4
2010*	88	88	1,043.240	5.1	100.1	294.1
2009*	73	73	865.415	4.6	53.6	14.8
2008*	85	68.88	816.572	7.4	63.5	116.0

* Include Special Dividends of 65 sen per share in year 2010; 50 sen per share in year 2009 and 62 sen per share in year 2008.



Share Performance

Share Performance



Closing Price	30-12-2011	29-6-2012	30-8-2012	30-8-2012 vs 30-12-2011
PPB	RM17.16	RM15.98	RM13.90	↓ 19
Wilmar	SGD5.00	SGD3.61	SGD3.13	↓ 37



Prospects for 2012

Prospects for 2012

The high world grains prices caused by adverse weather conditions in the grains producing countries and uncertain market environment will continue to present challenges to the Group's businesses for the remaining quarter in 2012.

Management is mindful of such uncertainties and will continue to implement appropriate measures to manage these challenges to alleviate the impact on the Group's businesses.

Prospects for 2012

Whilst some of the business divisions are expected to perform satisfactorily, the Group's overall financial results for 2012 will largely hinge on Wilmar's business prospects and performance for the second half of 2012.



Questions & Answers