



PPB GROUP BERHAD

INVESTOR UPDATE 2011

31 DECEMBER



4th QUARTERLY REPORT

FROM THE DESK OF THE

CHAIRMAN

Dear Shareholders,

We are pleased to announce that PPB Group's revenue had increased by 19.2% to RM2.7 billion for year 2011. The increase was mainly due to higher grains trading volume and flour sales, improved cinema collections and higher revenue from the environmental engineering projects.

PPB Group posted an unaudited profit before tax for continuing operations of RM1.057 billion for year 2011, 6.6% lower than the year before. The decline was mainly due to lower margins as a result of higher raw material costs, fair value adjustments in investments in equities, higher film rental rates and staff costs and lower property sales. Wilmar International Limited, an 18.3% associate of PPB, however contributed higher profits of RM790 million for year 2011 as compared with RM678 million in year 2010.

Profit for the year was RM1.013 billion as compared to RM1.909 billion recorded in 2010 as the Group had registered a gain of RM841 million from the disposal of its sugar related assets in 2010. Accordingly, earnings per share reduced to 82.70 sen compared with 159.00 sen in year 2010.

The Board of Directors has recommended a final single tier dividend of 13 sen per share for the financial year ended 31 December 2011 subject to shareholders' approval at the forthcoming Annual General Meeting. The final dividend is payable on 15 June 2012 and together with the interim single tier dividend of 10 sen per share, the total dividend paid and payable for financial year 2011 would be 23 sen per share.

GOING FORWARD

The global economy in 2012 started off on an uncertain footing, carrying over the slowing consumer demand and the unresolved Eurozone problems of 2011. The weakened global market coupled with rising fuel costs, volatile commodity markets and foreign exchange rates will present challenges to the Group.

PPB Group's management is actively monitoring such challenges in order to implement appropriate measures to facilitate growth and continuation of the Group's businesses.

The Group's operations are mainly located in the ASEAN countries and China, and it is anticipated that the domestic consumption in these countries would remain robust in 2012. The Group is optimistic that PPB Group would be able to generate a satisfactory set of results in 2012.

FROM THE DESK OF THE CHAIRMAN *(cont'd)*

HAPPENINGS / CSR ACTIVITIES

On 18 October 2011, PPB conducted a full day in-house directors' training session which was attended by over 60 participants comprising directors, senior managers and officers of PPB Group companies and affiliates. The topics covered were financial reporting standards; sustainability of corporations; a briefing on FFM Berhad's new investment in their fully automated bakery producing "Massimo" bread; and common offences committed by directors under the Companies Act 1965.

Golden Screen Cinemas Sdn Bhd (GSC), PPB's wholly-owned subsidiary, has become a favourite venue for various film festivals since the introduction of its GSC International Screens in 1999. GSC International Screens located in GSC Mid Valley, GSC 1 Utama, GSC Pavilion and GSC Gurney Plaza are the first of their kind in Malaysia dedicated to the screening of non-mainstream, art house and foreign language films. During the last quarter of 2011, GSC was the official venue provider for the 12th European Union Film Festival (EUFF) as well as the 10th Latin American Film Festival.

PPB Group organized several CSR activities during the quarter and amongst them was "Project Sole" where school shoes, socks and shoe whitener were given to poor schoolchildren in 5 schools in Jinjang, Kuala Lumpur. A free health screening under the National Kidney Foundation Early Detection and Prevention Saves Lives Programme was organized for PPB Group staff. In conjunction with the Christmas celebrations, PPB organised a movie outing for 150 children from welfare homes and poor families to GSC 1 Utama to watch a movie entitled "Arthur Christmas". In addition, a toy bank "Gift of Love" was organized at Cheras Leisuremall and the mall successfully collected 2,000 gifts from shoppers which were given to children from underprivileged groups.

On 5 November 2011, the "PPB-KF Welfare Fund for Perlis" set up by PPB, launched its "Educare Project" to give away school uniforms, shoes, socks and school bags complete with stationery sets to over 600 poor schoolchildren in the State of Perlis. "PPB-KF Welfare Fund for Perlis" is an endowment fund of RM10 million donated by the PPB Group for charitable and welfare activities to benefit underprivileged and poor Malaysians of all races and creed in the State of Perlis.

Datuk Oh Siew Nam

CHAIRMAN

29 February 2012



▲ In-house Directors' Training Session

DIRECTORS' TRAINING

PPB conducted a full day in-house directors' training session on 18 October 2011 which was attended by over 60 participants comprising directors, senior managers and officers of PPB Group companies and affiliates.



▲ Mr. Tang Kin Kheong
(Managing Partner of Mazars Kuala Lumpur)

HAPPENINGS



▲ Mr. James Kallman
(President Director of Mazars Indonesia)

Mr. Tang Kin Kheong, Managing Partner of Mazars Kuala Lumpur, kicked off the session with a presentation on Financial Reporting Standards. Mr. Tang's presentation covered the background and evolution of financial reporting standards (internationally and in Malaysia), the impending convergence of different standards, the disclosure requirements and implications.

The next topic was 'Sustainability of Corporations', which was delivered by Mr. James Kallman, President Director of Mazars Indonesia. Mr. Kallman spoke on the challenges faced by corporations from the aspect of human rights and social compliance from increasing social, regulatory, economic, financial and other stakeholder expectations.



L- Dato' Muhammad Redzuan
Abdullah (Senior Director
(Enforcement) of CCM)
R- Dr. Evelyn Ho (Consultant
Clinical Radiologist) ▶



Mr. Jimmy Chang, a director of The Italian Baker Sdn Bhd, a wholly-owned subsidiary of FFM Berhad, gave an interesting briefing on FFM's new bakery. Mr. Chang's presentation ranged from planning and construction of the bakery, to processing and marketing of the final products.



▲ Mr. Jimmy Chang
(Director of The Italian Baker Sdn Bhd)

The session continued after lunch with a talk entitled 'Common offences committed by directors under the Companies Act 1965', presented by Dato' Muhammad Redzuan Abdullah, Senior Director (Enforcement) of the Companies Commission of Malaysia. Dato' Redzuan explained the roles and regulatory functions of the Companies Commission of Malaysia, directors' duties and responsibilities, and gave examples of offences and enforcement actions.

The last item for the session was a presentation on medical scanning by Dr. Evelyn Ho, a consultant clinical radiologist. Dr Ho shared with the participants the basic principles of screening; types of scans; and benefit and risk considerations.



HAPPENINGS

2011 LATIN AMERICAN FILM FESTIVAL



▲ L-R Mr. Raoul Tobar (Embassy of Bulgaria), Mrs. Paola Tobar (President of Latin Lady Association), Ms. Luisa Lopez (Embassy of Venezuela), Ms. Natahalie Numez (Embassy of Venezuela), Mrs. Lourdes Puma (Embassy of Ecuador), Mr. Jorge Lozoya (Embassy of Mexico), Mr. Manuel Guzman (Embassy of the Bolivarian Republic Venezuela)

The 2011 Latin American Film Festival was officially launched on 19 October 2011 at GSC Pavilion Kuala Lumpur. Returning for its 10th edition, guests were treated to an exclusive screening of the Argentinean film "The Moon of Avellaneda".



▲ L-R Mr. Juan Yanez (Embassy of Ecuador), Mr. Roger Tate (Embassy of British), Mrs. Marion Yanez (Wife of Mr. Juan)

▼ L-R Ms. Cecilia Woovs (Embassy of Argentina), Mr. Fabian Van Der Werth (Embassy of Argentina), Mr. Luna (Son of Mr. Luis), Mr. Luis Luna (Embassy of Argentina)

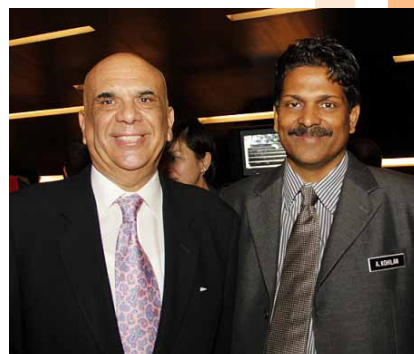


Playing host for the evening was His Excellency Manuel Guzman, Ambassador of Venezuela to Malaysia. Guest-of-honour for the evening was Yang Berhormat Senator A. Kohilan Pillay, Deputy Minister of Foreign Affairs, Malaysia.

The evening began with light refreshments and cocktails followed by a welcome address by His Excellency Manuel Guzman. YB Senator A. Kohilan Pillay delivered a speech and officiated the launch of the film festival.

Also present at the launch were ambassadors from other Latin American countries including Brazil, Chile, Uruguay, Mexico, Argentina, Colombia, Peru, Cuba and Ecuador.

Movie fans were able to watch two Brazilian documentaries, "The Mystery of Samba" and "Oscar Niemeyer: Life is But a Breath" for free, courtesy of the Embassy of Brazil.



▲ L-R Mr. Jorge Lozoya (Embassy of Mexico), Y.B Senator Kohilan Pillay (Deputy Minister of Foreign Affairs, Malaysia)



▲ L-R Group photo - Ten Latin American Ambassadors with Y.B. Senator Kohilan Pillay, Deputy Minister of Foreign Affairs, Malaysia)

HAPPENINGS

12th EUROPEAN UNION FILM FESTIVAL

On 10 November 2011, the 12th European Union Film Festival was officially launched at GSC Pavilion Kuala Lumpur, with a special screening of the Polish movie "Venice" for invited guests and dignitaries.



◀ L-R H.E. Mr. Vincent Piket (Ambassador, Head of the EU Delegation to Malaysia), Ms. Koh Mei Lee (CEO of GSC) and H.E. Mr. Adam W. Jelonek (Ambassador of the Republic of Poland, Malaysia)



▲ L-R Mr. Sverre Støje (Embassy of Norway), Ms. Agnes Corray (Embassy of France), Ms. Anna Soan (TM New Media)



▲ L-R Ms. June Ho, Dr. Volker Wolf, Ms. Patsy Ng (Goethe Institute), Ms. Nazi Morad (Standard Chartered) and friends from Bangladesh



▲ L-R Ms. Mira (Slovakia), Mr. Kasia (Poland), Ms. Anette (Denmark), Ms. Marek (Poland), Ms. Angela (South Korea)

The movie won numerous awards including Best Artistic Contribution Prize at the 34th Montreal World Film Festival 2010 and Grand Prix - Golden Frog at the Camerimage Film Festival of Cinematographers at the Poland German Film Festival 2009. It also picked up four awards at the Polish Eagle Awards 2011 viz Best Photography, Best Production Design, Best Costume Design and Best Sound.

His Excellency Mr. Adam W. Jelonek, Ambassador of the Republic of Poland to Malaysia was the host for the evening. Also present were His Excellency Vincent Piket, the Ambassador (Head of the European Delegation) to Malaysia and Ms. Koh Mei Lee, Chief Executive Officer, GSC. Other guests included the ambassadors from Slovakia, Germany, Denmark, Great Britain and France. Guests were treated to cocktails and light refreshments prior to the movie screening.

The 12th European Union Film Festival featured 23 acclaimed and award-winning films which were exclusively screened at GSC International Screens at Mid Valley, 1 Utama and Pavilion KL during the film festival.

CSR ACTIVITIES

PROJECT EDUCARE

BY PPB BRINGS CHEER TO
CHILDREN OF PERLIS



CSR ACTIVITIES *(cont'd)*



On 5 November 2011, the “PPB-KF Welfare Fund for Perlis” set up by PPB, launched its “Educare Project” to give away school uniforms, shoes, socks and school bags complete with stationery sets to over 600 poor schoolchildren in the State of Perlis. The children together with their parents or school representatives gathered at Hotel Seri Malaysia, Kangar to receive their goodie bags of school items and snacks.



CSR ACTIVITIES *(cont'd)*

"PPB-KF Welfare Fund for Perlis" is an endowment fund of RM10 million donated by the PPB Group for charitable and welfare activities to benefit underprivileged and poor Malaysians of all races and creed in the State of Perlis. Kuok Foundation Berhad ("KFB") which has 40 years experience in philanthropic works was appointed in 2010 to manage the fund on behalf of PPB.

To date, the Fund has given out over RM300,000 which, apart from Educare, included the distribution of food items valued at more than RM60,000 to flood victims in Perlis; up-grading of facilities for schools and orphanages as well as awarding educational grants to needy secondary school students.

PPB was established in 1968 as "Perlis Plantations Berhad" to undertake large scale sugar cane cultivation in Chuping, Perlis. In January 2010, PPB disposed of its sugar-related businesses which included its 5,797-hectare sugar cane plantation in Chuping, as well as its 50% interest in Kilang Gula Felda Perlis Sdn Bhd.



CSR ACTIVITIES (cont'd)



PROJECT SOLE



In the last quarter of 2011, PPB gave away new school shoes and socks to children from poor schools under its CSR project known as "Project Sole".

CSR ACTIVITIES (cont'd)



This is the 2nd year of Project Sole which PPB has found to be successful in meeting the basic needs of underprivileged school-going children.

Five schools from Jinjang were identified and they were, SRJK © Jinjang Utara, SRJK © Jinjang Selatan, SRJK © Jinjang Tengah (1), SRJK © Jinjang Tengah (2) and SK La Salle (2) Jinjang. PPB incurred about RM35,000 to purchase a total of 1,844 pairs of quality Bata school shoes complete with socks and shoe whitener for the students.

*Happy Feet Make
A Happy Child!*



CSR ACTIVITIES *(cont'd)*



A CHRISTMAS MOVIE OUTING FOR UNDERPRIVILEGED CHILDREN

Heralding the Christmas mood, PPB and its subsidiary, FFM Marketing Sdn Bhd (FFMM), brought 150 children from Rumah Ozanam, Praise Emmanuel Children Home and poor families living in Lembah Subang and Desa Mentari to watch the movie "Arthur Christmas" in 3D at Golden Screen Cinemas, 1 Utama Shopping Mall on 10 December 2011.



The movie which invokes the Christmas spirit attracted favourable reviews and provided much laughter to the children who thoroughly enjoyed it besides indulging in GSC's popular caramel coated popcorn and drinks. After the movie, the children were treated to a buffet spread complete with tasty sausages and nuggets produced and marketed by FFMM. Adding to the Christmas mood, members from the Damansara Utama Methodist Church entertained the children with Christmas carols which prompted all present to sing along in unison.

For most of the children, it was their first time watching a 3D movie and they were thrilled. Overall, it was a fun-filled event enjoyed by all and brought memorable moments to some who were experiencing their first outing to the cinema and shopping mall. Before leaving the cinema, the children were given goodie bags from PPB.





FREE HEALTH SCREENING FOR PPB GROUP STAFF

On 25 October 2011, PPB organised a free health screening for its staff under the National Kidney Foundation (NKF) Early Detection and Prevention Saves Lives Programme.



A total of 79 staff from PPB and its subsidiaries as well as several security guards and cleaners in Wisma Jerneh were screened. The health screening consisted of :-

- Blood Pressure
- Body Mass Index
- Random Blood Cholesterol
- Waist Circumference
- Random Blood Glucose
- Urinalysis/Urine Test
- Counseling

NKF volunteers provided counseling and encouraged the participants to have proper diets, regular exercise and some were advised to go for further medical checks.

For those who had not been for a full medical checkup before, the health screening was a wake-up call. After the health screening, many staff were more mindful of what they consumed and better aware of their health needs.



Cheras Leisure Mall's Christmas Charity Programme - Toy Bank - 'A Gift of L♥ve' 2011

The Toy Bank - 'A Gift of Love' is an annual charity programme organized by Cheras LeisureMall over the Christmas season for underprivileged children.






Every year, at least 100 underprivileged children from different aid organisations and orphanages are the recipients of gifts donated by shoppers at the mall. Heart-shaped cards containing the names, ages and Christmas wishes of each child from the participating homes are displayed on the Christmas tree at the ground floor of the mall for a month. Shoppers can then make a meaningful gesture to fulfill a child's wish by depositing their gift at the Toy Bank. With generous support from shoppers, the mall collects about 1,500 gifts every year, but during the recent 2011 Christmas promotion the mall collected more than 2,000 gifts for the children of Desa Amal Jireh, Sunbeam Home, Rainbow Home and Kampung Orang Asli Genting Teras in Ulu Langat.

Orang asli folks were also asked to tell us their wish list and accordingly, a special collection of basic necessities of rice, milk powder, Milo, cooking oil, sauces, biscuits and baby diapers was also very successful for the 36 families of Kampung Orang Asli Genting Teras.

A convoy of 5 vans comprising staff from PPB, PPB Hartabina Sdn Bhd and volunteers from amongst our shoppers together with a lorry laden with presents and food necessities made its way on 27 December 2011 to the obscurely-located hillside kampong to specially deliver the gifts. On the next day, the same convoy visited the three orphanages bringing more gifts donated by the public. The staff and volunteers, together with two clowns in tow spent a fun afternoon with the children over McDonald's Happy Meals.



SHARE ANALYSIS For The 4th Quarter Of 2011



After declining by 12.2% in 3Q2011, the FBM KLCI rebounded in 4Q2011, rising by 10.4% to close at 1,530.7 points. Commencing the quarter at 1,387.1 points, the FBM KLCI rose above 1,400 points in October 2011 in tandem with global markets after European Union (EU) leaders agreed on a comprehensive plan to address the Eurozone's sovereign debt crisis. After retreating in November 2011, the FBM KLCI rebounded in line with firmer regional markets and closed at a 4-month high of 1,530.7 points to register a gain of 10.4% for the quarter.

[Source : Public Mutual website]

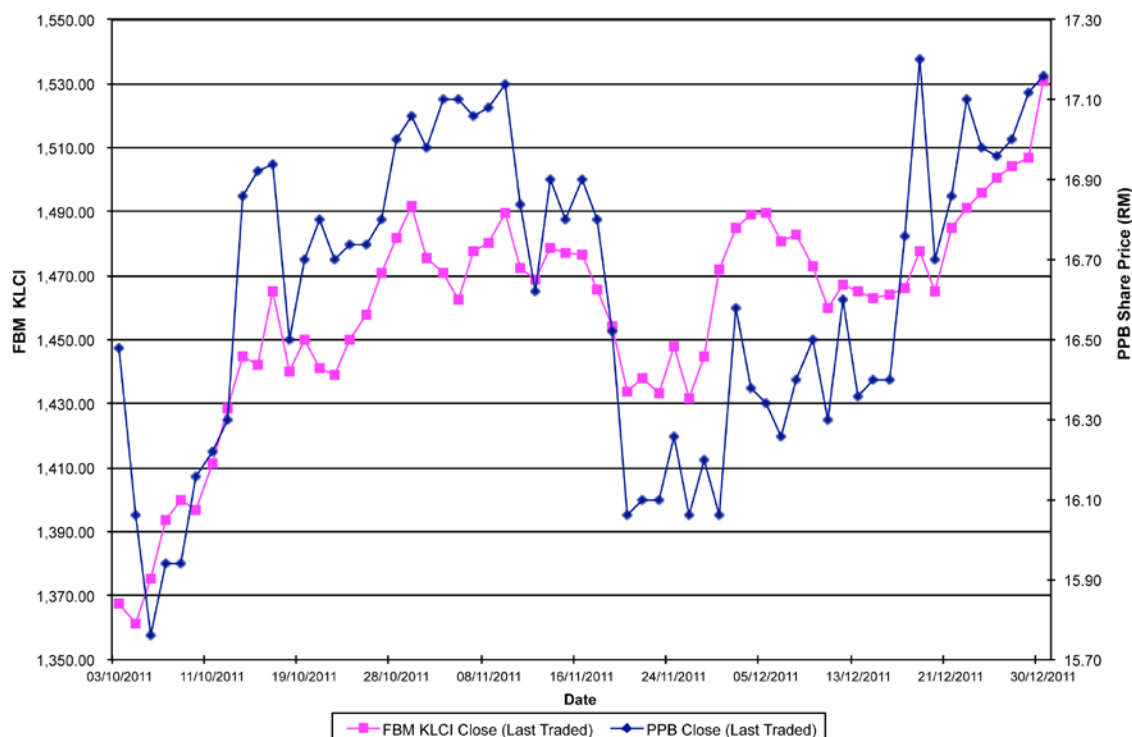
PPB's share price closed higher at RM17.16 compared with RM16.62 in the preceding quarter and market capitalization increased to RM20,343 million. The average daily volume of PPB shares traded however reduced significantly by 32.1% to 296,943 shares.

SHARE ANALYSIS

PPB Share Price & FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI)
Performance For 4th Q 2011

	4th Q 2011	3rd Q 2011	% change
PPB share price			
Closing price (high)	17.20	17.80	-3.37%
Closing price (low)	15.76	15.78	-0.13%
Quarter end closing price	17.16	16.62	3.25%
Weighted share price	16.58	17.09	-2.98%
Market capitalization (RM' million)	20,343.18	19,703.01	3.25%
PPB share volume			
Daily volume (high)	776,900	1,387,300	-44.00%
Daily volume (low)	38,000	13,600	>100%
Average daily volume	296,943	437,539	-32.13%
FBM KLCI			
FBM KLCI closing (high)	1,530.73	1,594.74	-4.01%
FBM KLCI closing (low)	1,361.38	1,331.80	2.22%
FBM KLCI quarter end closing	1,530.73	1,387.13	10.35%
FBM KLCI volume			
Daily Volume (high)	198,249,000	325,010,900	-39.00%
Daily Volume (low)	41,875,900	73,826,500	-43.28%
Average Daily Volume	103,031,736	150,553,155	-31.56%

FBM KLCI & PPB Share Price for 4th Q 11



FINANCIAL STATISTICS

For The 4th Quarter Of 2011

Financial year ended (All figures in RM million)	12 months		% change
	31.12.11	31.12.10 (Restated)	
INCOME STATEMENT			
<u>Continuing operations</u>			
Revenue	2,711	2,274	19.2
Profit before tax	1,057	1,131	(6.5)
Profit for the year from continuing operations, net of tax	1,013	1,070	(5.3)
<u>Discontinued operations</u>			
Revenue	0	*	0.0
Profit before tax	0	(2)	(100.0)
Profit for the year from discontinued operations, net of tax	0	(2)	(100.0)
Gain on sale of discontinued operations	0	841	(100.0)
<u>Group total</u>			
Revenue	2,711	2,274	19.2
Profit before tax	1,057	1,129	(6.4)
Profit for the year	1,013	1,909	(46.9)
Profit attributable to owners of the parent	980	1,885	(48.0)
STATEMENT OF FINANCIAL POSITION			
Non-current assets	13,021	12,248	6.3
<u>Current assets</u>			
Cash, bank balances and deposits	1,135	924	22.8
Others	1,043	763	36.7
Total current assets	2,178	1,687	29.1
Total assets	15,199	13,935	9.1
<u>Equity</u>			
Share capital	1,186	1,186	0.0
Reserves	12,876	12,092	6.5
Equity attributable to owners of the parent	14,062	13,278	5.9
Non-controlling interests	503	203	>100.0
Total equity	14,565	13,481	8.0
<u>Non-current liabilities</u>			
Bank borrowings	45	39	15.4
Deferred tax liabilities	80	70	14.3
Total non-current liabilities	125	109	14.7

FINANCIAL STATISTICS

For The 4th Quarter Of 2011 (cont'd)

Financial year ended (All figures in RM million)	12 months		% change
	31.12.11	31.12.10 (Restated)	
Current liabilities			
Bank borrowings	213	75	>100.0
Others	296	270	9.6
Total current liabilities	509	345	47.5
 Total liabilities	 634	 454	 39.6
 Total equity and liabilities	 15,199	 13,935	 9.1

RATIOS

Return on equity attributable to owners of the parent	(%)	7.0	14.2
Earnings per share	(sen)	82.7	159.0
Interest coverage	(times)	183.0	238.2
Current ratio	(times)	4.3	4.9
Total borrowings/Equity	(%)	1.8	0.8
Long term borrowings/Equity	(%)	0.3	0.3
Net assets per share attributable to owners of the parent	(RM)	11.9	11.2
Net dividend per share	(sen)	23.0	88.0

STOCK MARKET INFORMATION

Share price	(RM)	17.16	17.26
Market capitalisation	(RM million)	20,352	20,470
PE ratio	(times)	20.7	**19.6

* Negligible

** Exclude the one-time gain from disposal of sugar-related assets in 2010.

ANNOUNCEMENTS

SEP

23

Commencement of members' voluntary winding up of Quintrine Company Limited, an indirect wholly-owned subsidiary of PPB, pursuant to the Hong Kong Companies Ordinance; and the appointment of Ms Sung Mi Yin as the liquidator for the purpose of the winding up.

NOV

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PPB transferred its entire direct equity interest in Penzance Properties Sdn Bhd (now known as "GSC Movies Sdn Bhd") comprising 200,000 ordinary shares of RM1 each, for a cash consideration of RM200,000/- to Golden Screen Cinemas Sdn Bhd ("GSC"), an indirect 100%-subsidiary of PPB ("the Disposal"). Pursuant to the Disposal, GSC Movies Sdn Bhd is now a direct wholly-owned subsidiary of GSC and an indirect subsidiary of PPB.

Banqua Limited, an indirect dormant 100%-subsidiary of PPB, was struck off pursuant to Section 213 of the BVI Business Companies Act 2004.

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Release of PPB's quarterly report for the 3rd quarter ended 30 September 2011.

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Waikari Sdn Bhd ("Waikari"), an indirect 80%-subsidiary of PPB, entered into agreements to acquire 20% equity interest in each of the following :

- i. Yihai Kerry (Quanzhou) Oils, Grains & Foodstuffs Industries Co, Ltd; and
- ii. Yihai Kerry (Anyang) Foodstuffs Industries Co, Ltd.

ANNOUNCEMENTS

DEC

23

Waikari entered into agreements to acquire/subscribe for 20% equity interest in each of the following :

- i. Yihai (Chongqing) Foodstuffs Co, Ltd ("Yihai Chongqing") ("Proposed Chongqing Subscription");
- ii. Yihai Kerry (Beijing) Oils, Grains & Foodstuffs Industries Co, Ltd; and
- iii. Yihai Kerry (Shenyang) Oil, Grains & Foodstuffs Industries Co, Ltd.

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Waikari received a letter dated 27 December 2011 from Yihai Chongqing notifying that the Business Licence in respect of Yihai Chongqing has been issued, and requesting the injection of USD2,400,000 for the Proposed Chongqing Subscription. The subscription amount is equivalent to 20% of the registered capital of Yihai Chongqing of USD12,000,000.

Bank Negara Malaysia had in a letter dated 27 December 2011 approved the remittance of USD2.4 million to subscribe for 20% equity interest in Yihai Chongqing.

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Waikari entered into agreements to acquire 20% equity interest in each of the following :

- i. Dongguan Yihai Kerry Oils, Grains & Foodstuffs Industries Co, Ltd; and
- ii. Yihai (Zhoukou) Wheat Industries Co, Ltd.

QUARTERLY REPORT

Condensed Consolidated Income Statements

For The Year Ended 31 December 2011 (The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31 December		31 December	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
		(Restated)		(Restated)
Continuing operations				
Revenue	744,197	614,780	2,710,539	2,274,036
Operating expenses	(728,669)	(541,713)	(2,566,174)	(2,031,244)
Other operating income	27,664	20,251	98,839	111,755
Share of net profits less losses of associates	182,989	85,048	814,620	772,053
Share of profit of jointly controlled entity	1,853	8,646	4,564	9,645
Finance costs	(1,981)	(1,103)	(5,808)	(4,759)
Profit before tax	226,053	185,909	1,056,580	1,131,486
Income tax expense	(13,741)	(16,988)	(44,072)	(61,001)
Profit for the period/year from continuing operations	212,312	168,921	1,012,508	1,070,485
Discontinued operations				
Profit for the period/year from discontinued operations, net of tax	-	(2,514)	-	(2,253)
Gain on sale of discontinued operations	-	2,546	-	840,994
Profit for the period/year	212,312	168,953	1,012,508	1,909,226
Attributable to :				
Owners of the parent	209,303	153,858	980,372	1,884,949
Non-controlling interests	3,009	15,095	32,136	24,277
Profit for the period/year	212,312	168,953	1,012,508	1,909,226
Basic earnings per share (sen)	17.66	12.98	82.70	88.25
- continuing operations	-	-	-	70.75
- discontinued operations	17.66	12.98	82.70	159.00

(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.)

QUARTERLY REPORT

Condensed Consolidated Statement Of Comprehensive Income
For The Year Ended 31 December 2011

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31 December		31 December	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
		(Restated)		(Restated)
Profit for the period/year	212,312	168,953	1,012,508	1,909,226
Other comprehensive income/(loss), net of tax				
Exchange differences on translation of foreign operations				
- (Losses)/Gains arising during the period/year	(42,450)	(13,855)	283,305	(1,077,910)
- Reclassification adjustment for gains included in profit or loss	-	1,396	-	1,396
Fair value of available-for-sale financial assets :-				
- (Loss)/Gain arising during the period/year	(61,819)	50,481	(351,625)	34,574
- Reclassification adjustments to profit or loss upon disposal	(201)	(37)	(857)	(94)
Fair value adjustments arising from acquisition of additional shares in an existing subsidiary	-	1,630	-	1,630
Share of associates' other comprehensive income/(loss)	44,220	4,610	104,953	(25,048)
Total comprehensive income	152,062	213,178	1,048,284	843,774
Attributable to :				
Owners of the parent	149,852	198,004	1,012,315	821,861
Non-controlling interests	2,210	15,174	35,969	21,913
Total comprehensive income	152,062	213,178	1,048,284	843,774

(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.)

QUARTERLY REPORT

Condensed Consolidated Statement Of Financial Position

	As at 31-Dec-11 RM'000	As at 31-Dec-10 RM'000 (Restated)
ASSETS		
Non-current Assets		
Property, plant and equipment	1,017,844	957,177
Investment properties	214,695	212,649
Biological assets	2,600	2,743
Goodwill	74,617	74,617
Other intangible assets	1,398	1,503
Land held for property development	11,870	11,484
Investments in associates	11,040,554	10,000,272
Investment in jointly controlled entity	51,669	47,287
Other investments	598,567	936,126
Deferred tax assets	7,557	4,366
	<u>13,021,371</u>	<u>12,248,224</u>
Current Assets		
Inventories	474,159	316,738
Biological assets	16,860	14,525
Other intangible assets	12,013	6,723
Property development costs	43,736	35,385
Receivables	484,393	380,194
Derivative financial instruments	2,696	271
Cash, bank balances and deposits	1,134,522	923,682
	<u>2,168,379</u>	<u>1,677,518</u>
Non-current assets classified as held for sale	9,406	9,721
	<u>2,177,785</u>	<u>1,687,239</u>
TOTAL ASSETS	<u>15,199,156</u>	<u>13,935,463</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	1,185,500	1,185,500
Reserves	12,876,111	12,091,723
Equity attributable to owners of the parent	14,061,611	13,277,223
Non-controlling interests	503,515	203,660
Total equity	<u>14,565,126</u>	<u>13,480,883</u>

QUARTERLY REPORT

Condensed Consolidated Statement Of Financial Position (cont'd)

	As at 31-Dec-11 RM'000	As at 31-Dec-10 RM'000 (Restated)
Non-current Liabilities		
Long term borrowings	44,753	39,167
Deferred tax liabilities	79,800	69,637
	<u>124,553</u>	<u>108,804</u>
Current Liabilities		
Payables	287,981	255,670
Derivative financial instruments	4,264	467
Short term borrowings	213,150	75,093
Taxation	4,082	14,546
	<u>509,477</u>	<u>345,776</u>
Total liabilities	<u>634,030</u>	<u>454,580</u>
TOTAL EQUITY AND LIABILITIES	<u>15,199,156</u>	<u>13,935,463</u>
Net assets per share attributable to owners of the parent (RM)	<u>11.86</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.)

QUARTERLY REPORT

Condensed Consolidated Statement Of Changes In Equity For The Year Ended 31 December 2011

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000
12 months ended 31 December 2011				
At 1 January 2011				
As previously reported	1,185,500	6,715	61,398	(950,954)
Effects of adopting IC Interpretation 12	-	-	-	(319)
Restated	1,185,500	6,715	61,398	(951,273)
Total comprehensive income	-	-	-	321,272
Transfer of reserves	-	-	(456)	-
Dilution of interest in a subsidiary	-	-	-	-
Dilution of interest in an associate	-	-	-	(157)
Acquisition of an existing subsidiary	-	-	-	-
Issue of shares to non-controlling interests	-	-	-	-
Dividends	-	-	-	-
At 31 December 2011	1,185,500	6,715	60,942	(630,158)
12 months ended 31 December 2010				
At 1 January 2010				
As previously reported	1,185,500	6,715	60,230	20,818
Effects of adopting IC Interpretation 12	-	-	-	(59)
Restated	1,185,500	6,715	60,230	20,759
Total comprehensive income	-	-	1,613	(971,611)
Transfer of reserves	-	-	(445)	-
Dilution of interest in an associate	-	-	-	(421)
Acquisition of an existing subsidiary	-	-	-	-
Dividends	-	-	-	-
At 31 December 2010	1,185,500	6,715	61,398	(951,273)

Non-distributable			Distributable		Attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
Fair value reserve RM'000	Hedge reserve RM'000	Capital reserve RM'000	Retained earnings RM'000				
518,837	(31,191)	305,313	12,178,608	13,274,226	185,284	13,459,510	
-	-	-	3,316	2,997	18,376	21,373	
518,837	(31,191)	305,313	12,181,924	13,277,223	203,660	13,480,883	
(352,518)	63,215	(26)	980,372	1,012,315	35,969	1,048,284	
-	-	21,934	(21,478)	-	-	-	
-	-	-	101,701	101,701	276,418	378,119	
-	17	1,657	2,473	3,990	-	3,990	
-	-	-	(1,678)	(1,678)	(471)	(2,149)	
-	-	-	-	-	596	596	
-	-	-	(331,940)	(331,940)	(12,657)	(344,597)	
166,319	32,041	328,878	12,911,374	14,061,611	503,515	14,565,126	
484,454	96,648	294,561	11,937,616	14,086,542	172,817	14,259,359	
-	-	-	2,130	2,071	12,697	14,768	
484,454	96,648	294,561	11,939,746	14,088,613	185,514	14,274,127	
34,383	(127,839)	366	1,884,949	821,861	21,913	843,774	
-	-	10,386	(9,941)	-	-	-	
-	-	-	3,160	2,739	-	2,739	
-	-	-	-	-	(1,541)	(1,541)	
-	-	-	(1,635,990)	(1,635,990)	(2,226)	(1,638,216)	
518,837	(31,191)	305,313	12,181,924	13,277,223	203,660	13,480,883	

(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.)

QUARTERLY REPORT

Condensed Consolidated Statement Of Cash Flows For The Year
Ended 31 December 2011

	12 months ended 31 December	
	2011 RM'000	2010 RM'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax		
- continuing operations	1,056,580	1,131,486
- discontinued operations	-	838,741
	1,056,580	1,970,227
Adjustments :-		
Non-cash items	(698,027)	(1,590,755)
Non-operating items	(52,981)	(74,910)
Operating profit before working capital changes	305,572	304,562
Working capital changes :-		
Net change in current assets	(242,098)	(28,536)
Net change in current liabilities	14,162	9,799
Cash generated from operations	77,636	285,825
Tax paid	(61,426)	(46,191)
Net cash generated from operating activities	16,210	239,634
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment properties, biological assets and other intangible assets	(171,708)	(132,172)
Proceeds from disposal of property, plant and equipment and investment properties	1,713	39,669
Purchase of investments	(39,465)	(7,133)
Proceeds from sale of investments	3,695	1,108,878
Repayment from associates	-	9,129
Dividends received	193,724	539,467
Interest received	31,610	34,375
Other investing activities	4,929	11,649
Net cash generated from investing activities	24,498	1,603,862
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital by subsidiaries	378,715	-
Bank borrowings	140,256	(636)
Interest paid	(5,372)	(5,126)
Dividends paid	(344,597)	(1,638,216)
Other financing activities	-	(6)
Net cash generated from/(used in) financing activities	169,002	(1,643,984)
Net increase in cash and cash equivalents	209,710	199,512
Cash and cash equivalents brought forward	923,471	731,010
Effect of exchange rate changes	(258)	(7,051)
Cash and cash equivalents carried forward	1,132,923	923,471
Cash and cash equivalents represented by :-		
Cash and bank balances	85,877	59,820
Bank deposits	1,048,645	863,862
Bank overdrafts	(1,599)	(211)
	1,132,923	923,471

(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.)

QUARTERLY 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
IC Interpretation 4	Determining whether an Arrangement contains a Lease
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.

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.

QUARTERLY REPORT

Notes (cont'd)

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			
Statement of Financial Position			
Investment in jointly controlled entity	25,914	21,373	47,287
Non-controlling interests	185,284	18,376	203,660
Condensed Consolidated			
Statement of Changes in Equity			
Exchange translation reserve	(950,954)	(319)	(951,273)
Retained earnings	12,178,608	3,316	12,181,924

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 year 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 year to date.

A6. Dividends paid

	Individual Quarter 3 months ended 31-Dec-11 RM'000	Cumulative Quarter 12 months ended 31-Dec-11 RM'000
Dividends paid on ordinary shares		
FY2010 : Final dividend - 18 sen per share single tier	-	213,390
FY2011 : Interim dividend - 10 sen per share single tier	-	118,550
	-	331,940

QUARTERLY REPORT

Notes (cont'd)

A7. Segmental reporting

Segmental information in respect of the Group's business segments for the year ended 31 December 2011

Business Segments: All figures in RM'000	Grains trading, flour and feed milling	Marketing, distribution and manufacturing of consumer products	Film exhibition and distribution	Environmental engineering, waste management and utilities
REVENUE				
External revenue	1,545,329	375,260	283,274	154,316
Inter-segment sales	90,918	-	-	56
Total revenue	1,636,247	375,260	283,274	154,372
RESULTS				
Segment results	134,999	19,403	37,427	9,785
Share of associates' profits less losses	16,149	-	905	2,456
Share of joint venture's profit	-	-	-	4,564
Interest income				
Finance costs				
Unallocated corporate expenses				
Profit before tax				
ASSETS				
Segment assets	1,114,056	359,648	252,787	68,807
Investments in associates	76,210	-	4,142	32,143
Investment in jointly controlled entity	-	-	-	51,669
Bank deposits				
Taxation				
Other unallocated corporate assets				
Total assets				

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 :-

- 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") (now known as Golden Screen International Sdn Bhd) for a cash consideration of RM1,600/-. Arising therefrom, ECSB has become an indirect subsidiary of PPB.
- 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.
- 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.

QUARTERLY REPORT

Notes (cont'd)

Property investment and development	Chemicals trading and manufacturing	Livestock farming	Investments in equities	Other operations	Elimination	Total
35,516	96,087	85,295	23,137	112,325	-	2,710,539
1,545	29,221	23,776	-	13,843	(159,359)	-
37,061	125,308	109,071	23,137	126,168	(159,359)	2,710,539
15,569	1,168	12,671	10,454	(11,977)	(1,112)	228,387
4,621	-	-	-	790,489	-	814,620
-	-	-	-	-	-	4,564
						31,855
						(5,808)
						(17,038)
						1,056,580
275,855	51,663	117,448	598,568	180,764	(201)	3,019,395
119,751	-	-	-	10,808,308	-	11,040,554
-	-	-	-	-	-	51,669
						1,048,645
						31,948
						6,945
						15,199,156

- d) On 25 March 2011, Golden Screen International 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.
- g) On 1 November 2011, Banqua Limited ("Banqua"), an indirect wholly-owned subsidiary of PPB which had ceased business operations, was struck off pursuant to Section 213 of the BVI Business Companies Act 2004. Arising therefrom, Banqua has ceased to be an indirect subsidiary of PPB.
- h) On 1 November 2011, PPB disposed of its entire equity interest in Penzance Properties Sdn Bhd (now known as GSC Movies Sdn Bhd) comprising 200,000 ordinary shares of RM1 each, for a cash consideration of RM200,000/- to Golden Screen Cinemas Sdn Bhd ("GSC"), a 100%-owned subsidiary of PPB. Pursuant to the disposal, GSC Movies Sdn Bhd is now a direct wholly-owned subsidiary of GSC and indirect subsidiary of PPB.

QUARTERLY REPORT

Notes (cont'd)

- i) On 14 December 2011, PPB Leisure Holdings Sdn Bhd ("PPBL"), a wholly-owned subsidiary of PPB completed the acquisition of an additional 242,922 ordinary shares of RM1 each in Cathay Screen Cinemas Sdn Bhd ("CSC"), an existing 66.2%-subsidiary of PPBL, for a total cash consideration of RM2.147 million. Pursuant to this acquisition, PPBL's interest in CSC has increased to 68.3%.

A10. Changes in contingent liabilities or contingent assets

	As at 31-Dec-11 RM'000	As at 31-Dec-10 RM'000
Contingent liabilities		
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.		

B. BMSB Listing Requirements (Part A of Appendix 9B)

B1. Analysis of performance for the financial period to date

	4Q2011 RM'000	4Q2010 RM'000	Variance	
			RM'000	%
Revenue				
- Grains trading, flour and feed milling	463,440	337,934	125,506	37%
- Marketing, distribution and manufacturing of consumer products	91,262	93,692	(2,430)	-3%
- Film exhibition and distribution	76,212	65,038	11,174	17%
- Environmental engineering, waste management and utilities	47,177	55,923	(8,746)	-16%
- Property investment and development	9,056	10,341	(1,285)	-12%
- Chemicals, Livestock, Investments and Other operations	96,060	92,944	3,116	3%
- Elimination	(39,010)	(41,092)	2,082	-5%
Total revenue	744,197	614,780	129,417	21%

	FY2011 RM'000	FY2010 RM'000	Variance	
			RM'000	%
Revenue				
- Grains trading, flour and feed milling	1,636,247	1,260,719	375,528	30%
- Marketing, distribution and manufacturing of consumer products	375,260	369,484	5,776	2%
- Film exhibition and distribution	283,274	252,554	30,720	12%
- Environmental engineering, waste management and utilities	154,372	108,739	45,633	42%
- Property investment and development	37,061	41,934	(4,873)	-12%
- Chemicals, Livestock, Investments and Other operations	383,684	390,639	(6,955)	-2%
- Elimination	(159,359)	(150,033)	(9,326)	6%
Total revenue	2,710,539	2,274,036	436,503	19%

QUARTERLY REPORT

Notes (cont'd)

	4Q2011	4Q2010	Variance	
	RM'000	RM'000	RM'000	%
<u>Profit before tax</u>				
- Grains trading, flour and feed milling	28,987	52,717	(23,730)	-45%
- Marketing, distribution and manufacturing of consumer products	3,621	3,235	386	12%
- Film exhibition and distribution	6,855	10,616	(3,761)	-35%
- Environmental engineering, waste management and utilities	2,597	3,590	(993)	-28%
- Property investment and development	2,791	1,955	836	43%
- Chemicals, Livestock, Investments and Other operations	(4,682)	28,505	(33,187)	>-100%
- Elimination	(404)	(7,801)	7,397	-95%
Segment results	39,765	92,817	(53,052)	-57%
- Share of associates and joint venture's profits less losses	184,842	93,694	91,148	97%
- Interest income, finance costs and unallocated expenses	1,446	(602)	2,048	>100%
Total profit before tax	226,053	185,909	40,144	22%

	FY2011	FY2010	Variance	
	RM'000	RM'000	RM'000	%
<u>Profit before tax</u>				
- Grains trading, flour and feed milling	134,999	154,910	(19,911)	-13%
- Marketing, distribution and manufacturing of consumer products	19,403	16,044	3,359	21%
- Film exhibition and distribution	37,427	43,967	(6,540)	-15%
- Environmental engineering, waste management and utilities	9,785	5,480	4,305	79%
- Property investment and development	15,569	38,053	(22,484)	-59%
- Chemicals, Livestock, Investments and Other operations	12,316	103,205	(90,889)	-88%
- Elimination	(1,112)	(6,725)	5,613	-83%
Segment results	228,387	354,934	(126,547)	-36%
- Share of associates and joint venture's profits less losses	819,184	781,698	37,486	5%
- Interest income, finance costs and unallocated expenses	9,009	(5,146)	14,155	>100%
Total profit before tax	1,056,580	1,131,486	(74,906)	-7%

QUARTERLY REPORT Notes (cont'd)

Grains trading, flour and feed milling

Revenue climbed 37% to RM463 million in 4Q2011 compared with 4Q2010 mainly due to the larger scale in grains trading which started in FY2011. The full year revenue for FY2011 was up 30% from RM1.3 billion to RM1.6 billion due to higher grains trading volume and higher flour sales.

Profit before tax was lower by 45% and 13% for 4Q2011 and FY2011 respectively due to lower margins as a result of higher raw material costs as compared with the previous corresponding quarter and financial year. Higher wheat costs coupled with intense local competition had affected the financial performance of the Group's flourmills. The Indonesian flourmill registered lower results despite an increase in flour sales because of a foreign exchange translation loss as opposed to a gain in the previous year.

Marketing, distribution and manufacturing of consumer products

The RM91 million revenue achieved in 4Q2011 was marginally lower but comparable with the RM94 million in 4Q2010. For the full year in FY2011, revenue increased by 2% to RM375 million from FY2010 due to increased sales.

The higher profit before tax recorded of RM3.6 million in 4Q2011 as compared with RM3.2 million in 4Q2010 was due to better profit margins while the improved profits in FY2011 of RM19 million from RM16 million in FY2010 was in line with the growth in revenue and better profit margins.

Film exhibition and distribution

Revenue increased by 17% to RM76 million in 4Q2011 compared with RM65 million in 4Q2010 due to higher cinema collections. For FY2011, revenue rose 12% to RM283 million from RM253 million in FY2010 as a result of improved cinema collections which was attributed to opening of new cinemas, stronger performance of existing cinemas and higher revenue from film distribution.

Profit before tax for 4Q2011 and FY2011 were down by 35% and 15% respectively due to higher film rental rates and staff costs for the cinema operations, film acquisition costs and one-off corporate expenditures incurred in the financial year.

Environmental engineering, waste management and utilities

Revenue reduced by 16% to RM47 million in 4Q2011 as compared with RM56 million in 4Q2010 mainly due to accelerated progress in the stages of completion in several environmental engineering projects during the previous period, where revenue had been progressively recognised. In 4Q2011, such projects have mostly been completed or were near completion. In FY2011, revenue was up by 42% to RM154 million from RM109 million due to the recognition of revenue from major projects secured during the financial year.

Profit before tax decreased to RM2.6 million in 4Q2011 from RM3.6 million in 4Q2010 due to higher profits recognised from several environmental engineering projects in the previous period. For FY2011, the higher profit before tax of RM9.8 million was in line with the higher revenue achieved.

Property investment and development

Revenue in 4Q2011 was 12% lower at RM9.1 million as compared with RM10.3 million in 4Q2010 as there were more property sales recognised in the previous corresponding quarter. The revenue for FY2011 was also lower at RM37 million as compared with RM42 million in FY2010 with lower property sales as there were no new projects launched in the financial year.

Profit before tax in 4Q2011 increased marginally to RM2.8 million mainly due to the upwards rental revision for the properties under management. For FY2011, the profit before tax was lower by 59% from RM38 million to RM16 million mainly due to a gain on disposal of investment properties of RM22 million in FY2010.

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

Revenue was up by 3% in 4Q2011 mainly due to improved sales from the livestock farming division supported by better day-old chicks prices during the period. For FY2011, revenue was marginally down by 2% to RM384 million mainly due to the loss in revenue from an engineering services subsidiary that was disposed in FY2010 despite a higher revenue contribution from livestock farming division.

The loss before tax of RM4.7 million in 4Q2011 and the lower profit before tax of RM12.3 million in FY2011 were mainly due to a fair value adjustments in investments in equities, lower profits from the shipping division as a result of lower charter hire rates and loss of profit contribution from the disposed engineering services subsidiary.

QUARTERLY REPORT

Notes (cont'd)

Share of associates and joint venture's profits less losses

Wilmar International Limited ("Wilmar"), an associate of the Group contributed higher profits of RM178 million in 4Q2011 and RM790 million for FY2011 to the Group as compared with RM79 million in 4Q2010 and RM678 million for FY2010.

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

	4Q2011	3Q2011	Variance	
	RM'000	RM'000	RM'000	%
Profit before tax				
- Grains trading, flour and feed milling	28,987	45,030	(16,043)	-36%
- Marketing, distribution and manufacturing of consumer products	3,621	6,861	(3,240)	-47%
- Film exhibition and distribution	6,855	9,186	(2,331)	-25%
- Environmental engineering, waste management and utilities	2,597	1,231	1,366	>100%
- Property investment and development	2,791	4,668	(1,877)	-40%
- Chemicals, Livestock, Investments and Other operations	(4,682)	(3,444)	(1,238)	36%
- Elimination	(404)	(890)	486	-55%
Segment results	39,765	62,642	(22,877)	-37%
- Share of associates and joint venture's profits less losses	184,842	186,328	(1,486)	-1%
- Interest income, finance costs and unallocated expenses	1,446	3,412	(1,966)	-58%
Total profit before tax	226,053	252,382	(26,329)	-10%

The total Group profit before tax for 4Q2011 of RM226 million was 10% lower than the RM252 million in 3Q2011. The reduction was mainly due to lower profit margins achieved in grains trading, flour and feed milling division; lower consumer products sales after the Hari-Raya festive season; lower distribution profits as a result of higher film acquisition costs and one-off corporate expenditures incurred in the film exhibition and distribution division; lower profits in the property division. Other operations registered a loss mainly due to the advertising and promotional expenses incurred in the frozen food and bakery operations.

The environmental engineering division however registered better results due to higher profits recognised from newly launched engineering projects in the quarter.

Wilmar contributed RM178 million in 4Q2011 which was marginally lower than RM179 million in 3Q2011.

B3. Prospects for the next financial year

The global economy in 2012 started off on an uncertain footing, carrying over the slowing consumer demand and the unresolved Eurozone problems of 2011. The weakened global market coupled with rising fuel costs, volatile commodity markets and foreign exchange rates will present challenges to the Group.

The Group's management are actively monitoring such challenges in order to implement appropriate measures to facilitate growth and continuation of the Group's businesses.

The Group's operations are mainly located in the ASEAN countries and in China, and it is anticipated that the domestic consumption in these countries would remain robust in 2012. The Group is optimistic that PPB Group would be able to generate a satisfactory set of results in 2012.

B4. Variance of actual profit from forecast profit

Not applicable.

QUARTERLY REPORT Notes (cont'd)

B5. Profit before tax

	Individual Quarter 3 months ended 31-Dec-11 RM'000	Cumulative Quarter 12 months ended 31-Dec-11 RM'000
Profit before tax is stated after crediting :-		
Dividend income	2,629	23,137
Fair value gain on derivatives	13,402	37,402
Foreign exchange gain	791	7,438
Gain on disposal of properties	-	291
Gain on disposal of quoted investments	202	857
Interest income	7,925	31,855
Rental income	1,606	3,797
Profit before tax is stated after charging :-		
Allowance for impairment and write off of receivables	(1,665)	(5,381)
Depreciation and amortisation	(37,971)	(94,428)
Fair value loss on derivatives	3,856	(1,513)
Foreign exchange loss	(6,783)	(12,161)
Inventories written down	(6,649)	(6,649)
Interest expense	(1,981)	(5,808)
Loss on disposal of quoted investments	(1,617)	(1,617)
Loss on financial assets at fair value through profit or loss	(896)	(10,520)

Other than the items highlighted above, there were no exceptional items for the current quarter and financial year ended 31 December 2011.

B6. Taxation

	Individual Quarter 3 months ended 31-Dec-11 RM'000	Cumulative Quarter 12 months ended 31-Dec-11 RM'000
Taxation comprises :-		
Malaysian taxation based on profit for the period		
Current	10,718	39,541
Deferred	2,888	9,257
	13,606	48,798
Foreign taxation		
Current	(786)	2,190
Deferred	199	199
	13,019	51,187
Under/(Over)provision		
Current	(159)	(4,609)
Deferred	881	(2,506)
	13,741	44,072

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.

QUARTERLY REPORT

Notes (cont'd)

B7. 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 100% 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. 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	Pending authority approval
6	Dongguan Yihai Kerry Oils, Grains & Foodstuffs Industries Co, Ltd	30 December 2011	Pending authority approval
7	Yihai (Zhoukou) Wheat Industries Co, Ltd	30 December 2011	Completed on 2 February 2012

B8. Group borrowings

Total Group borrowings as at 31 December 2011 were as follows :-

	Total RM'000	Secured RM'000	Unsecured RM'000
Long term bank borrowings			
Long term bank loans (USD)	49,234	49,234	-
Long term bank loans (RMB)	8,484	-	8,484
Hire purchase liabilities (SGD)	40	40	-
Repayments due within the next 12 months	(13,005)	(10,171)	(2,834)
	44,753	39,103	5,650
Short term bank borrowings			
Bills payable	35,063	-	35,063
Short term loans	1,150	-	1,150
Short term loans (USD)	162,333	-	162,333
Current portion of long term loans	12,990	10,156	2,834
Hire purchase liabilities (SGD)	15	15	-
	211,551	10,171	201,380
Bank overdrafts	1,599	-	1,599
	213,150	10,171	202,979

QUARTERLY REPORT Notes (cont'd)

B9. Material litigation

There was no material litigation as at 22 February 2012.

B10. Dividend

The Board of Directors is pleased to recommend a final single tier dividend for the financial year ended 31 December 2011 of 13 sen per share (2010 : 18 sen per share single tier) payable on Friday, 15 June 2012 subject to the approval of shareholders at the 43rd Annual General Meeting to be held on Thursday, 24 May 2012.

Together with the interim single tier dividend of 10 sen per share paid on 28 September 2011, the total dividend paid and payable for the financial year ended 31 December 2011 would be 23 sen per share single tier (2010 - Interim : 5 sen per share single tier; Final : 18 sen per share single tier; Special : 65 sen per share single tier).

Dividend entitlement/payment date

Notice is hereby given that, subject to shareholders' approval, the final dividend is payable on Friday, 15 June 2012 to shareholders whose names appear in the Record of Depositors at the close of business on Tuesday, 29 May 2012.

A Depositor shall qualify for entitlement only in respect of :-

- (i) Shares transferred into the Depositor's securities account before 4.00 pm on Tuesday, 29 May 2012 in respect of ordinary transfers, and
- (ii) Shares bought on the Bursa Malaysia Securities Berhad ("BMSB") on a cum entitlement basis according to the Rules of BMSB.

Dividends paid / payable

Dividends paid / payable 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/payable
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
2011	Final dividend (proposed)	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.

QUARTERLY REPORT

Notes (cont'd)

B13. Realised and unrealised profits/losses

	As at 31-Dec-11 RM'000	As at 31-Dec-10 RM'000 (Restated)
Total retained profits of the Company and its subsidiaries :-		
- Realised	11,950,131	11,596,784
- Unrealised	(44,950)	(21,107)
	11,905,181	11,575,677
Total share of retained profits from associates :-		
- Realised	81,735	71,892
- Unrealised	1,367	(1,992)
- Wilmar International Limited ("Wilmar") *	3,011,693	2,394,898
Total share of retained profits from jointly controlled entity :-		
- Realised	6,255	5,086
- Unrealised	1,794	1,404
	15,008,025	14,046,965
Less : consolidation adjustments	(2,096,651)	(1,865,041)
Total Group retained profits as per consolidated accounts	12,911,374	12,181,924

* 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
29 February 2012

By Order of the Board
Mah Teck Keong
Company Secretary

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