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PPB GROUP BERHAD

INVESTOR UPDATE

31 MARCH 2012

QUARTERLY REPORT



From The Desk Of The Chairman

**DEAR SHAREHOLDERS,**

We are pleased to announce that PPB Group's revenue was up 20% to RM697 million for the period ended 31 March 2012 compared with the previous corresponding period. The increase was mainly attributed to higher revenue from the grains trading, flour and feed milling division. The property division's revenue increased significantly due to sales of the 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 the chemicals, livestock and investment divisions.

From The Desk Of The Chairman (CONT'D)

PPB Group posted a pre-tax profit of RM200 million for the period ended 31 March 2012, a decline of 30% from the previous corresponding period. Grains trading, flour and feed milling; and property investment and development reported higher profits. However, the other operating divisions as well as Wilmar International Limited, PPB's 18.3% associate, reported lower profits in 1Q12.

Profit for the period reduced to RM186 million from RM273 million and accordingly, earnings per share for the period ended 31 March 2012 stood at 15.06 sen compared with 22.37 sen achieved in the same period last year.

Happenings

PPB held its first Press and Analyst Briefing for the year on 6 March 2012, to review the final results for year 2011 and the latest developments in the Group. The briefing was attended by analysts, fund managers and local press.

On 15 March 2012, Golden Screen Cinemas Sdn Bhd (GSC), PPB's wholly-owned subsidiary, opened its first "GSC Lite" with its 6-screen cinema in Mentakab Star Mall in Pahang which is set in a lighter, more modest and accessible manner to cater to suburban areas without compromising on the effects of big screens and digital sound, as offered at other GSC cinemas.

CSR ACTIVITIES

In conjunction with the Chinese New Year (CNY) celebration, PPB organised a buffet lunch for the residents of Sungai Way Old Folks Home in Petaling Jaya besides giving "angpows" and toiletries to the home. PPB staff together with the residents of the Home made CNY lanterns to decorate the Home.

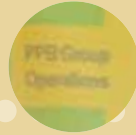
As part of PPB's CSR activities for the environment, PPB in a joint effort with Majlis Daerah Kuala Selangor and Global Environment Centre, an NGO, gathered at Pantai Remis, Selangor for a beach clean-up on 17 March 2012.

The event brought the staff of PPB Group together with their families, to not only get close to nature but to work for nature. Besides creating awareness about the importance of the marine habitat and to keep the beach clean, PPB contributed an "interpretative signboard" and two sets of recycling bins for the beach.

Datuk Oh Siew Nam • CHAIRMAN

24 May 2012

Press and Analyst Briefing



☐ Koh Mei Lee

On 6 March 2012, PPB held its first Press and Analyst Briefing for the year at Wisma ACE Jerneh which was well attended by analysts and fund managers from various local as well as foreign research houses and securities firms. Present at the briefing, were also 14 members from the local press.



☐ L-R: Leong Yew Weng, MD of Chemquest Group; Eapen Thomas, C.O.O. (Properties) of PPB; Ong Hung Hock, MD of FFM Group; Leong Choy Ying, CFO of PPB; Tan Gee Sooi, MD of PPB; Koh Mei Lee, Senior Manager (Corporate Affairs) of PPB and CEO of Golden Screen Cinemas; and Mah Teck Keong, Company Secretary of PPB.



The briefing was held to provide the press and analysts with a review of the Group's financial results for year 2011 as well as an update of its latest developments.

During the Q&A session, PPB's Managing Director, Mr Tan Gee Sooi together with the key management team dealt with questions posed by the attendees. A press conference took place thereafter, followed by lunch.



❖❖ VIPs receiving Lion Troupe Blessing

GSC LITE

FOR MENTAKAB

On 15 March 2012, Golden Screen Cinemas Sdn Bhd (GSC) introduced a new GSC Brand - **GSC Lite** with the opening of its first GSC Lite cinema in Mentakab Star Mall in Pahang.



First few customers purchasing their tickets at GSC Mentakab Star Mall.



First Ticket Purchase (L-R) Dato Pheng Chin Kiat (MD- Mentakab Star Mall) Ms. Koh Mei Lee (CEO, GSC) & Mr. Irving Chee (GM, GSC)

GSC Lite is GSC's cinema entertainment magic in a lighter, more modest and accessible manner to cater to suburban areas like Mentakab town. With GSC Lite, movie entertainment is accessible to more Malaysians throughout the country without compromising the effects of large screens and digital sound, similar to those offered in other GSC cinemas. Movie-goers can enjoy the cinema-going experience at more competitive pricing for that particular location. GSC Lite maintains the key characteristics of GSC cinemas, minus the frills.

The 6-screen GSC Mentakab Star Mall is the first multiplex in Mentakab which offers movie fans in Mentakab and surrounding towns like Temerloh and Jerantut a selection of the latest blockbuster movies, including digital 2D and 3D movies. There are two digital screens and a total seating capacity of 1,093 in this location.

Built at a total joint investment cost of RM 8.5 million, GSC Mentakab Star Mall is equipped with the latest cinema projection and sound facilities, comfortable seats and cosy ambience for the enjoyment of movie fans.

In line with the other GSC cinemas, an online ticketing facility (GSC e-payment) together with SelfPrint tickets via the GSC website www.gsc.com.my are available. Those with iPhones can enjoy the convenience of mobile ticketing through GSC mobile app (iPhone), and they can pay through m2u and Paypal accounts to avoid the queue.

For those with Android smartphones, GSC mobile app (Android) is available with m2u, PayPal and "RHB Now".

GSC Mentakab Star Mall will complement GSC's current 5-screen GSC Berjaya Megamall and the 9-screen GSC East Coast Mall, both in Kuantan, bringing a total of 20 screens which includes 5 digital halls; and 3,638 seats serving the state of Pahang.

In conjunction with the opening, GSC Mentakab Star Mall gave away "Buy 2 Free 1" vouchers and sticky notepads with purchases of GSC Combo 2 snacks. Balloons were also given out to movie - goers and Mentakab folks were seen posing with movie characters such as Iron Man and Spiderman in the mall as they made appearances over the opening weekend.

With GSC Mentakab Star Mall, GSC now has a total of 24 cinemas with 197 screens, including 60 digital screens nationwide.

CSR Activities



CNY CELEBRATION

at Sungei Way Old Folks Home



PPB Group Berhad raised many smiles from the residents of Sungei Way Old Folks Home or Rumah Sejahtera Seri Setia located in Sungei Way, Petaling Jaya when 25 PPB staff dressed in shades of red or qipao visited the residents on 18 January 2012 in conjunction with the Chinese New Year celebration.

CSR Activities (CONT'D)



The celebration started with the tossing of the auspicious dish "Yee Sang" for good health and prosperity followed by a sumptuous buffet lunch. After lunch, PPB staff helped the residents with the making of CNY lanterns to decorate the home. Ms Koh Mei Lee, Senior Manager (Corporate Affairs) of PPB, distributed angpows to residents which were received with much appreciation. PPB also gave away toiletries produced by the Group to the Home.

Sungei Way Old Folks Home is a non-governmental organization established since 1966. It has a total of 60 senior citizens of

which 35 are males. Most of the senior citizens are bachelors and spinsters who have no relatives to support them.

The Home is funded mainly by public donations and Yayasan Buddhist Penyayang. General medication is provided free by a kind doctor whereas for serious cases, management of the Home refers residents to government hospitals. The Home needs close to RM30,000 per month for food, staff salaries, repairs and maintenance etc. The building is owned by the Committee of Rumah Orang Tua Seri Setia. Those who wish to contribute to this Home may contact Madam Chen at 03-78769233.

CSR Activities (CONT'D)

PPB STAFF & FAMILY MEMBERS

CLEANED

PANTAI REMIS, KUALA SELANGOR

On 17 March 2012, the staff of PPB Group Berhad (PPB) and their families together with staff of Majlis Daerah Kuala Selangor (MDKS) and Global Environment Centre (GEC), an NGO, gathered at Pantai Remis for a beach clean-up.



CSR Activities (CONT'D)

Pantai Remis which is situated approximately 20 km from Kuala Selangor town, is a fishing village popular with day trippers for picnics, kite-flying and leisure. The beach is been a favourite spot for locals who patronise the bazaars selling mostly shellfish at weekends. Sadly, litter especially plastic bags which are not biodegradable are commonly found at the beach.

As volunteers began the clean up, they discovered layers of plastic bags buried in the sand of Pantai Remis. It was heart warming to witness a total of 170 volunteers including children who worked tirelessly to pick up rubbish under the blazing sun. The GEC team led the volunteers for the clean-up in a fun way by organising a small competition for the most rubbish collected by individual teams. At the end of the day, more than half a tonne of rubbish was collected and separated into four (4) categories by the volunteers:-

- Plastic/Aluminium
- Glass
- Paper/Cardboard
- Unrecyclable items




The event was organised as part of PPB's CSR activity for the environment as well as to bring together the staff of PPB Group and their families, to not only get close to nature but to work for nature. It was also aimed at creating awareness about the importance of the marine habitat and to keep the beach clean at all times. With this in mind, PPB contributed an "interpretative signboard" and two sets of recycling bins for the beach.

The Yang Dipertua MDKS, Puan Hajjah Noraini binti Roslan, was present to receive the contributions from PPB. A strong advocate of green living, Puan Hajjah Noraini in her speech, encouraged the volunteers to start separating and recycling the rubbish in their homes if they had not done so. She also encouraged composting kitchen waste as well as making garbage enzyme.

Reflecting the theme for the event "EVERDAY IS EARTH DAY", the Senior Manager (Corporate Affairs) of PPB, Ms Koh Mei Lee urged the volunteers to practice more green habits in their daily lives and by doing so, encourage others to do the same leading to a healthier, cleaner and better Earth! Ms Koh reminded all that "caring for the environment is not the responsibility of the government alone but everyone's".



Share Analysis FOR THE 1ST QUARTER OF 2012



1st Quarter

FBM KLCI Hits Near Record High in First Quarter of 2012

After rising by 10.4% in 4Q2011, the FBM KLCI continued to remain firm in 1Q2012, increasing by 4.3% to close at a near record high of 1,596.3 points. Commencing the quarter at 1,530.7 points, the FBM KLCI eased in January 2012 on profit-taking activities. However, firm regional trading interest subsequently helped the FBM KLCI to rebound in February 2012. The FBM KLCI continued to trend higher in March 2012 and closed at a near record high of 1,596.3 points to register a gain of 4.3% for the quarter. In comparison, the Malaysian market registered the second lowest quarterly return after the Shanghai market.

[Source : Public Mutual website]

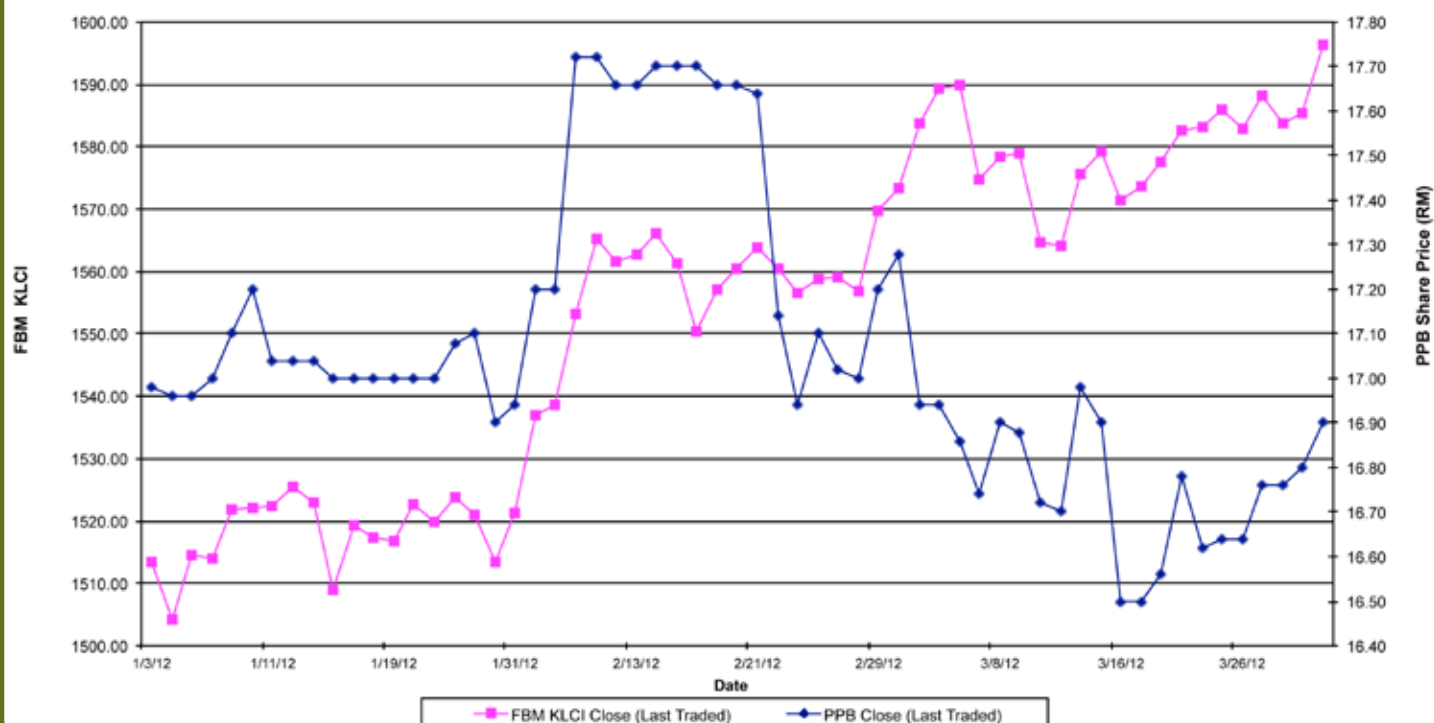
PPB's share price closed lower at RM16.90 compared with RM17.16 in the preceding quarter and market capitalisation reduced to RM20,035 million. The average daily volume of PPB shares traded however increased significantly by 61.1% to 478,464 shares.

Share Analysis

PPB SHARE PRICE & FTSE BURSA MALAYSIA KUALA LUMPUR COMPOSITE INDEX (FBM KLCI)
PERFORMANCE FOR 1ST Q 2012

	1st Q 2012	4th Q 2011	% change
PPB share price			
Closing price (high)	17.72	17.20	3.02%
Closing price (low)	16.50	15.76	4.70%
Month end closing price	16.90	17.16	-1.52%
Weighted share price	17.12	16.58	3.26%
Market capitalization (RM' million)	20,034.95	20,343.18	-1.52%
PPB share volume			
Daily volume (high)	2,220,600	776,900	>100%
Daily volume (low)	34,000	38,000	-10.53%
Average daily volume	478,464	296,943	61.13%
FBM KLCI			
FBM KLCI closing (high)	1,596.33	1,530.73	4.29%
FBM KLCI closing (low)	1,504.22	1,361.38	10.49%
FBM KLCI quarter end closing	1,596.33	1,530.73	4.29%
FBM KLCI volume			
Daily Volume (high)	329,668,700	198,249,000	66.29%
Daily Volume (low)	77,480,000	41,875,900	85.02%
Average Daily Volume	140,520,136	103,031,736	36.39%

FBM KLCI & PPB Share Price for 1st Q 12



Group Financial Highlights

FOR THE 1ST QUARTER OF 2012
(The figures have not been audited)

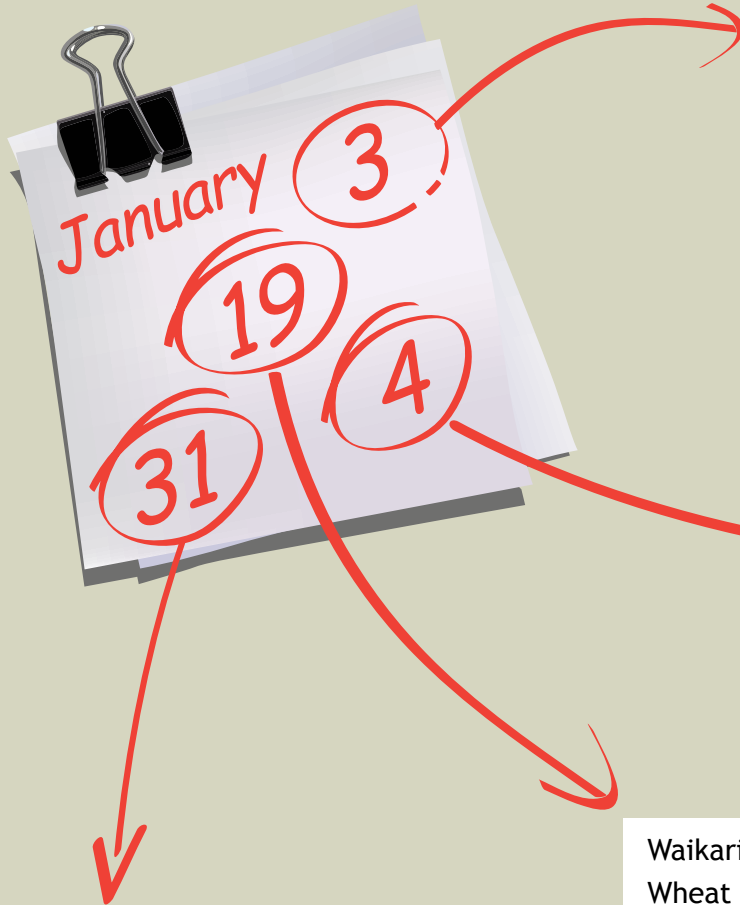
Financial period ended (All figures in RM million)	3 months			12 months
	31.3.12	31.3.11	% change	31.12.11
INCOME STATEMENT				
Revenue	697	580	20.2	2,711
Profit before tax	200	283	(29.3)	1,057
Profit for the year	186	273	(31.9)	1,013
Profit attributable to owners of the parent	179	265	(32.5)	980
STATEMENT OF FINANCIAL POSITION				
Non-current assets	12,880	12,332	4.4	13,021
Current assets				
Cash, bank balances and deposits	1,036	1,175	(11.8)	1,135
Others	1,004	872	15.1	1,043
Total current assets	2,040	2,047	(0.3)	2,178
Total assets	14,920	14,379	3.8	15,199
Equity				
Share capital	1,186	1,186	0.0	1,186
Reserves	12,724	12,350	3.0	12,876
Equity attributable to owners of the parent	13,910	13,536	2.8	14,062
Non-controlling interests	500	417	19.9	503
Total equity	14,410	13,953	3.3	14,565
Non-current liabilities				
Bank borrowings	49	35	40.0	45
Deferred tax liabilities	79	70	12.9	80
Total non-current liabilities	128	105	21.9	125
Current liabilities				
Bank borrowings	109	60	81.7	213
Others	273	261	4.6	296
Total current liabilities	382	321	19.0	509
Total liabilities	510	426	19.7	634
Total equity and liabilities	14,920	14,379	3.8	15,199

Group Financial Highlights

FOR THE 1ST QUARTER OF 2012 (CONT'D)
(The figures have not been audited)

Financial period ended (All figures in RM million)		3 months		12 months
		31.3.12	31.3.11	% change 31.12.11
RATIOS				
Return on equity attributable to owners of the parent	(%)	1.3	2.0	7.0
Earnings per share	(sen)	15.1	22.4	82.7
Interest coverage	(times)	79.7	262.3	183.0
Current ratio	(times)	5.3	6.4	4.3
Total borrowings/Equity	(%)	1.1	0.7	1.8
Long term borrowings/Equity	(%)	0.3	0.3	0.3
Net assets per share attributable to owners of the parent	(RM)	11.7	11.4	11.9
Net dividend per share	(sen)	-	-	23.0
STOCK MARKET INFORMATION				
Share price	(RM)	16.90	17.02	17.16
Market capitalisation	(RM million)	20,035	20,186	20,352
PE ratio	(times)	28.0	19.0	20.7

ANNOUNCEMENTS



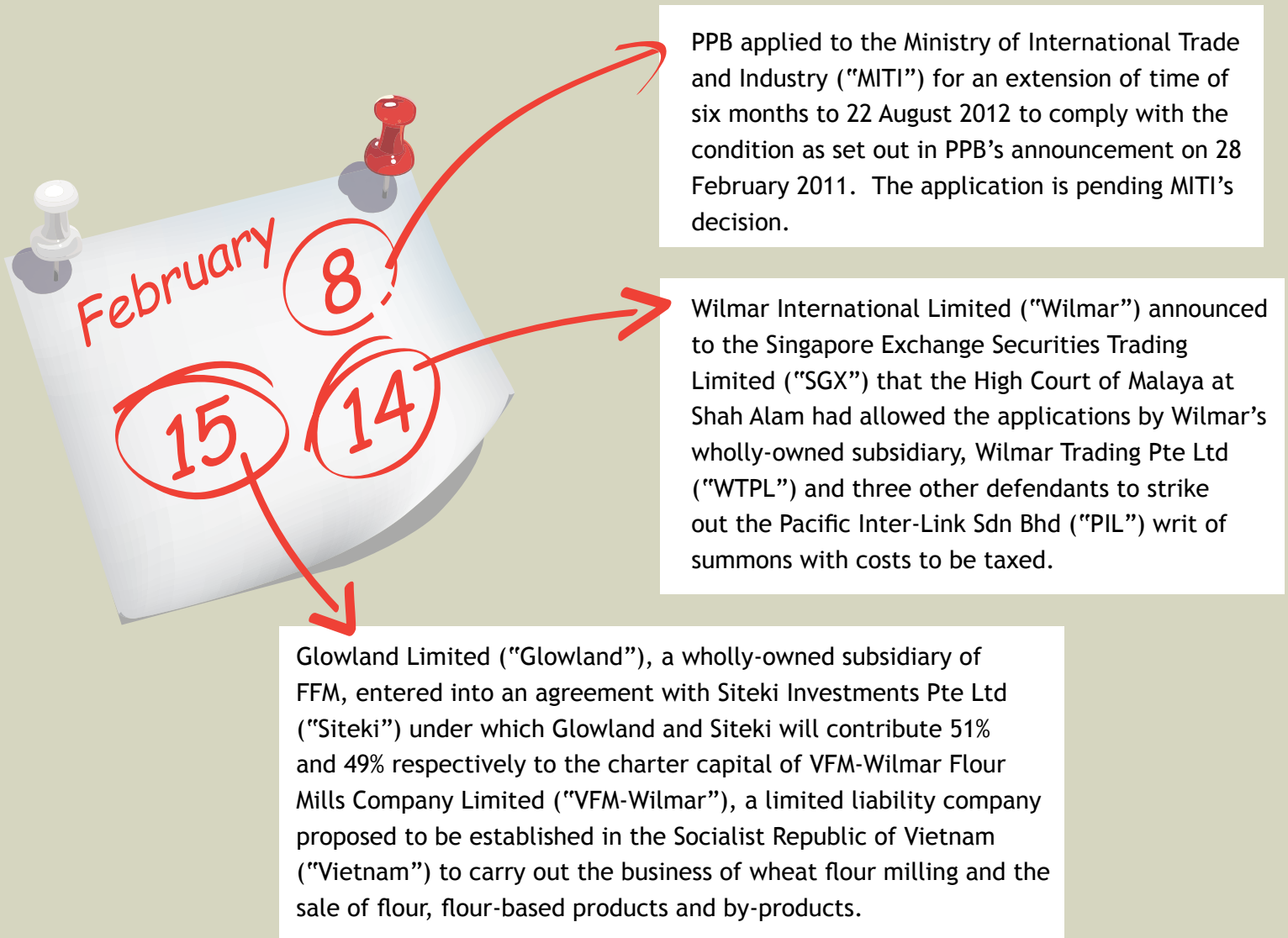
Waikari Sdn Bhd ("Waikari"), a wholly-owned subsidiary of FFM Berhad ("FFM") which in turn is an 80%-subsidiary of PPB, received notification from Yihai Kerry (Quanzhou) Oils, Grains & Foodstuffs Industries Co., Ltd ("Yihai Kerry Quanzhou") on 3 January 2012 that the Certificate of Approval for Establishment of Enterprises with Foreign Investment in the People's Republic of China ("PRC"), and the Business Licence in respect of Yihai Kerry Quanzhou had been issued by the relevant PRC regulatory authorities on 31 December 2011.

The registered and correspondence addresses respectively of PPB and PPB's share registrar, PPB Corporate Services Sdn Bhd, were changed to 17th Floor, Wisma ACE Jerneh, 38 Jalan Sultan Ismail, 50250 Kuala Lumpur.

Waikari received notification from Yihai Kerry (Anyang) Foodstuffs Industries Co., Ltd ("Yihai Kerry Anyang") that the Certificate of Approval for Establishment of Enterprises with Foreign Investment in the PRC, and the Business Licence in respect of Yihai Kerry Anyang had been issued by the relevant PRC regulatory authorities on 9 January 2012 and 12 January 2012 respectively.

Waikari received notification from Yihai (Zhoukou) Wheat Industries Co., Ltd ("Yihai Zhoukou") that the Certificate of Approval for Establishment of Enterprises with Foreign Investment in the PRC, and the Business Licence in respect of Yihai Zhoukou had been issued by the relevant PRC regulatory authorities on 18 January 2012 and 19 January 2012 respectively.

ANNOUNCEMENTS

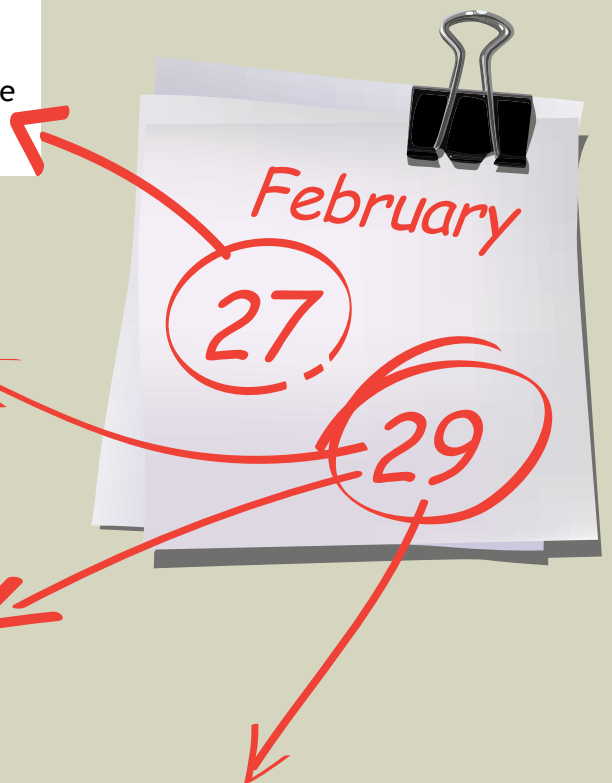


Glowland received notification that the Quang Ninh Economic Zone Authority of Vietnam had issued the investment certificate dated 22 February 2012 for the proposed wheat flour mill project by VFM-Wilmar.

Release of PPB's quarterly report for the 4th quarter and year ended 31 December 2011.

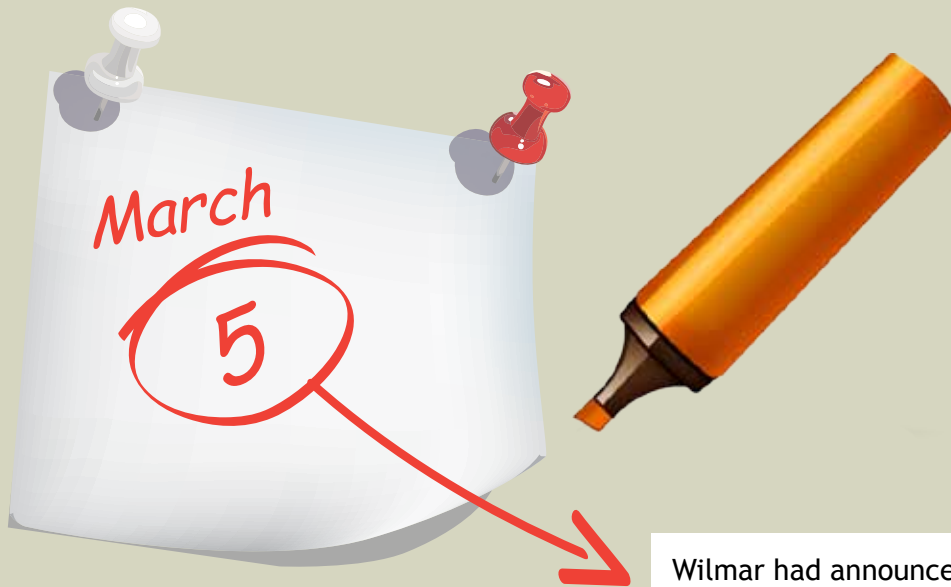
A final single tier dividend of 13 sen per share in respect of the year ended 31 December 2011 was proposed, payable on 15 June 2012 to members whose names appear in the Record of Depositors on 29 May 2012.

The Company announced that a renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature will be sought at the 43rd Annual General Meeting of PPB.



ANNOUNCEMENTS

24 May 2012



Wilmar had announced to SGX that WTPL had on 2 March 2012 received a notice of appeal dated 24 February 2012 from PIL. No hearing date for the appeal by PIL has been fixed to date.

QUARTERLY REPORT

Condensed Consolidated Income Statements

For The Period Ended 31 March 2012 *(The figures have not been audited)*

	Individual Quarter 3 months ended 31 March		Cumulative Quarter 3 months ended 31 March	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 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	186,187	273,063	186,187	273,063
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	186,187	273,063	186,187	273,063
Basic earnings per share (sen)	15.06	22.37	15.06	22.37

(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.)

QUARTERLY REPORT

Condensed Consolidated Statement Of Comprehensive Income
For The Period Ended 31 March 2012

	Individual Quarter 3 months ended 31 March		Cumulative Quarter 3 months ended 31 March	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 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	(122,933)	93,241	(122,933)	93,241
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	(122,933)	93,241	(122,933)	93,241

(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.)

QUARTERLY REPORT

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>14,920,099</u>	<u>15,199,156</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	13,909,873	14,061,611
Non-controlling interests	500,109	503,515
Total equity	<u>14,409,982</u>	<u>14,565,126</u>

QUARTERLY REPORT

Condensed Consolidated Statement Of Financial Position (CONT'D)

	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>14,920,099</u>	<u>15,199,156</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.)

QUARTERLY REPORT

Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 31 March 2012

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000
<u>3 months ended 31 March 2012</u>				
At 1 January 2012	1,185,500	6,715	60,942	(630,158)
Total comprehensive income	-	-	-	(306,243)
Transfer of reserves	-	-	(68)	-
Acquisition of an existing subsidiary	-	-	-	-
At 31 March 2012	1,185,500	6,715	60,874	(936,401)
<u>3 months ended 31 March 2011</u>				
At 1 January 2011				
As previously reported	1,185,500	6,715	61,398	(950,954)
Effects of adopting IC Interpretation 12	-	-	-	-
Restated	1,185,500	6,715	61,398	(950,954)
Total comprehensive income	-	-	-	(167,541)
Transfer of reserves	-	-	(114)	-
Dilution of interest in a subsidiary	-	-	-	8,180
At 31 March 2011	1,185,500	6,715	61,284	(1,110,315)

QUARTERLY REPORT

Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 31 March 2012 (CONT'D)

Non-distributable			Distributable			
Fair value reserve RM'000	Hedge reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
166,319	32,041	328,878	12,911,374	14,061,611	503,515	14,565,126
105,043	(34,104)	(69,795)	178,504	(126,595)	3,662	(122,933)
-	-	(2,304)	2,372	-	-	-
-	-	-	(25,143)	(25,143)	(7,068)	(32,211)
271,362	(2,063)	256,779	13,067,107	13,909,873	500,109	14,409,982
518,837	(31,191)	305,313	12,178,608	13,274,226	185,284	13,459,510
-	-	-	3,000	3,000	18,376	21,376
518,837	(31,191)	305,313	12,181,608	13,277,226	203,660	13,480,886
(34,843)	21,988	1,448	265,231	86,283	6,958	93,241
-	-	3,978	(3,864)	-	-	-
-	-	257,654	(93,712)	172,122	205,997	378,119
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.)

QUARTERLY REPORT

Condensed Consolidated Statement Of Cash Flows
For The Period Ended 31 March 2012

	3 months ended 31 March	
	2012 RM'000	2011 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
Cash and cash equivalents represented by :-		
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.)

QUARTERLY 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.

QUARTERLY REPORT

Notes (CONT'D)

A7. Segmental reporting

Segmental information in respect of the Group's business segments for the period ended 31 March 2012

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	412,937	96,923	68,887	29,799
Inter-segment sales	23,149	-	-	-
Total revenue	436,086	96,923	68,887	29,799
RESULTS				
Segment results	43,583	4,326	8,243	925
Share of associates' profits less losses	1,883	-	163	586
Share of joint venture's profit	-	-	-	865
Interest income				
Finance costs				
Unallocated corporate expenses				
Profit before tax				
ASSETS				
Segment assets	1,115,120	202,586	223,928	55,094
Investments in associates	106,730	-	4,304	32,499
Investment in jointly controlled entity	-	-	-	51,475
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 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.

QUARTERLY REPORT

Notes (CONT'D)

Property investment and development	Chemicals trading and manufacturing	Livestock farming	Investments in equities	Other operations	Elimination	Total
19,103	20,107	13,549	395	35,255	-	696,955
562	5,897	5,945	-	3,387	(38,940)	-
19,665	26,004	19,494	395	38,642	(38,940)	696,955
5,905	100	(6,324)	1,941	(3,114)	386	55,971
(1,931)	-	-	-	140,941	-	141,642
-	-	-	-	-	-	865
						7,602
						(2,540)
						(3,886)
						199,654
296,899	50,343	111,783	702,666	351,881	(38)	3,110,262
117,991	-	-	-	10,539,509	-	10,801,033
-	-	-	-	-	-	51,475
						925,348
						23,476
						8,505
						14,920,099

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.

QUARTERLY REPORT

Notes (CONT'D)

	1Q2012	1Q2011	Variance	
	RM'000	RM'000	RM'000	%
<u>Revenue</u>				
- 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	%
<u>Profit before tax</u>				
- 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.

QUARTERLY REPORT

Notes (CONT'D)

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.

QUARTERLY REPORT

Notes (CONT'D)

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

	1Q2012	4Q2011	Variance	
	RM'000	RM'000	RM'000	%
<u>Profit before tax</u>				
- 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.

QUARTERLY REPORT

Notes (CONT'D)

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	1,068	1,068
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	(2,540)	(2,540)

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

B6. Taxation

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

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

QUARTERLY REPORT

Notes (CONT'D)

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)
	48,675	43,205	5,470
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	-
	107,852	9,856	97,996
Bank overdrafts	1,179	-	1,179
	109,031	9,856	99,175

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.

QUARTERLY REPORT

Notes (CONT'D)

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)
	11,922,139	11,905,181
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
	15,169,534	15,008,025
Less : consolidation adjustments	(2,102,427)	(2,096,651)
Total Group retained profits as per consolidated accounts	13,067,107	12,911,374

* 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

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