



PPB GROUP BERHAD

INVESTOR UPDATE

QUARTERLY REPORT
2016

1ST





FROM THE DESK OF THE CHAIRMAN

Dear Shareholders,

FINANCIAL SUMMARY

We are pleased to report that PPB Group's revenue rose by 15% to RM1.12 billion for 1Q2016 compared with 1Q2015. The increase was primarily driven by higher revenue from the grains and agribusiness, film exhibition and distribution and consumer products segments. The increase was however partly offset by lower revenue from the environmental engineering and utilities as well as property segments in the quarter under review.

The Group registered a pre-tax profit of RM283 million in 1Q2016, an increase of 6% from 1Q2015, due to better results registered by the film exhibition business and higher profit contribution from our 18.6% associate, Wilmar International Limited, despite lower profits recorded by the grains and agribusiness segment.

Profit for the period increased to RM259 million from RM235 million and accordingly, earnings per share for 1Q2016 stood at 20.77 sen compared with 19.65 sen in the first quarter last year.

HAPPENINGS

On 19 January 2016, Galaxy Studio Joint Stock Company, a 40% associate of PPB Group, opened its sixth cinema in Vietnam comprising five screens at Co.op Mart, Ben Tre in the Mekong Delta to good response.

FFM Marketing Sdn Bhd (FFMM), a wholly-owned subsidiary of FFM Berhad (FFM), commenced distribution in February 2016 of a wide range of brands and products under Reckitt Benckiser (RB) in areas covered by FFMM's Prai branch. Some of the popular brands under RB are Dettol, Strepsils, Durex, Glucolin, Harpic, Shieldtox, Mortein, Scholl and Optrex.



From The Desk Of The Chairman (Cont'd)

Southern Marina Development Sdn Bhd (SMD) organised a private event at the Shangri-La Hotel in Tokyo, Japan on 19 and 20 February 2016 to showcase the Southern Marina Residences, a condominium project in Puteri Harbour, Johor Bahru. The event was held to introduce the Southern Marina Residences and attract Japanese buyers looking to invest in Malaysia. SMD is a joint venture between PPB, Kuok Brothers Sdn Bhd and Khazanah Nasional Berhad.

In the quarter under review, Golden Screen Cinemas Sdn Bhd (GSC) hosted its first Singapore Film Festival from 14 to 17 January 2016. The festival, held at GSC Pavilion and GSC 1 Utama, was the finale programme of Titian Budaya, a cultural season celebrating 50 years of friendship between Singapore and Malaysia. On 24 January 2016, GSC live-streamed in high definition the 30th Anugerah Juara Lagu Awards. The live-streaming was held at GSC Pavilion for 800 fans and was a collaboration between GSC and TonTon, Malaysia's top video streaming portal owned by the Media Prima Group.

GSC launched a value campaign entitled, "Choose Value. Choose GSC" in February 2016 to raise awareness of GSC's ongoing special rates for senior citizens, students and children below 12 years. The campaign also features other ongoing promotions such as Movie Day every Wednesday and credit card deals.

PPB held its first Press and Analyst Briefing for the year on 1 March 2016, to review the 2015 results and provide an update on the latest developments in the Group. The briefing was well-attended by analysts, fund managers and the local press.

The Italian Baker Sdn Bhd, a wholly-owned subsidiary of FFM, successfully launched a new product, MASSIMO Fine Wholemeal Loaf (420g) on 8 March 2016. Baked with 100% high protein whole wheat flour, the bread is available at RM2.80 per loaf.



CSR ACTIVITIES

Not forgetting the underprivileged during the festive season, PPB staff visited Setapak Old Folks Home on 4 February 2016 and celebrated the Chinese New Year (CNY) with 18 senior citizens at the home. At a separate occasion, Cheras Leisuremall, a shopping mall owned and managed by PPB, brought together 80 senior citizens from four charity homes for a luncheon at the concourse of the Mall on the eighth day of the CNY.

In conjunction with World Kidney Day 2016, Cheras Leisuremall collaborated with Laurent Bleu Healthy Aging Clinic and Wellness Sanctuary to provide free consultations on healthy aging and wellness to shoppers on 5 and 6 March 2016.

AIDILFITRI GREETINGS

I wish to take this opportunity to wish our Muslim shareholders and friends "Selamat Berpuasa" and "Salam Aidilfitri".

Tan Sri Datuk Oh Siew Nam
Chairman
 8 June 2016

Opening of Galaxy Studio in Ben Tre, Vietnam



Galaxy Studio Joint Stock Company (Galaxy Studio) in which PPB Group has 40% equity interest, opened its sixth cinema in Vietnam comprising five screens with a seating capacity of 692 at Co.op Mart, Ben Tre on 19 January 2016. Galaxy Studio's five other cinemas are located in Ho Chih Minh City.

Today, Galaxy Studio has 30 screens with a total seating capacity of 5,716 in six locations.



FFM MARKETING DISTRIBUTES RECKITT BENCKISER'S PRODUCTS

In February 2016, FFM Marketing Sdn Bhd commenced distribution of a wide range of brands under Reckitt Benckiser (RB) in areas covered by FFM's Prai branch. Distribution coverage was expanded to Ipoh in May.

RB is listed on the London Stock Exchange and is a constituent of the FTSE 100 Index. It has a market capitalisation of about £44 billion as at December 2015. RB has operations in over 60 countries and its products are sold in more than 200 countries globally

Brands under RB include:

Dettol

The most trusted antiseptic liquid, body wash, hand wash, hand sanitizer, anti-bacteria wet wipes, laundry sanitizer, disinfectant spray and multi-action cleaner for the floor.

Strepsils

One of the most trusted and most sold sore throat medication in the world. It offers a complete range of products that provide soothing relief.

Durex

Not just about condoms but great fun and safe sex.

Gaviscon

The leading OTC (over the counter) brand in digestive health. Its well-established heartburn and indigestion solution provides fast relief and long lasting protection.

Glucolin

Provides rapid energy every day and is a good relief and prevention of fatigue.

Woodwards

Rapid relief of wind and gripe for babies.

Harpic

A comprehensive range of toilet care products recognised for quality and value.

Airwick

Brightening homes and lifting moods with its wide range of fragrances and devices in many formats including plug-ins, battery-operated, gels and aerosols.

Shieldtox & Mortein

A solution for smarter and safer pest control. These brands have evolved from an insecticidal powder into an array of products trusted all over the world.

Vanish

An amazingly effective and safe stain removal which is the undisputed world leader in fabric treatment category.

Veets

Its leadership position is driven by constant innovations that meet women's beauty needs on hair removal products.

Scholl

A brand that focuses on innovation dedicated to caring for consumers' health, comfort and well-being with its range of foot care and footwear products.

Optrex

Gentle yet effective products for everyday eye care solution.

Other brands under RB :

Finish

Dish-cleaning products

Fabulon & Easy-On

Ironing aid

Thirsty Hippo

Dehumidifier

Bonjela

Oral treatments for mouth ulcers and denture sores

Mucinex

Relieves symptoms of cough and loosens mucus in the chest

Senokot

Helps occasional constipation

Streradent

Denture care



MASSIMO Fine Wholemeal Loaf



The Italian Baker Sdn Bhd successfully launched a new product, MASSIMO Fine Wholemeal Loaf (420g) on 8 March 2016. Baked with 100% high protein whole wheat flour, each slice comes packed with nutritional goodness of fibre, essential nutrients and minerals found in whole grains – finely milled for a soft fluffy texture. The bread is available at RM2.80 per loaf.

Southern Marina Residences (SMD) organised a private event at Shangri-La Hotel Tokyo, Japan on 19 and 20 February 2016 to showcase the SMR. About 168 prospective buyers attended the two-day event.

The project had attracted many Japanese investors residing both in Singapore and Japan for investment or own-stay. Japanese investors are favouring Malaysia for its more affordable cost of living, tropical weather throughout the year and low risk of natural disasters.

SMD's follow-up plans for prospective Japanese buyers include conducting a tour to visit the site in Puteri Harbour; and conducting small scale bi-weekly seminars in Tokyo.

SOUTHERN MARINA RESIDENCES - A PRIVATE EVENT IN TOKYO





GSC LAUNCHES A VALUE CAMPAIGN



GSC launched its Value Campaign “Choose Value. Choose GSC” in February 2016 to bring awareness of GSC’s ongoing special rates for senior citizens, students and children below 12 years. The campaign also features other ongoing promotions such as Movie Day every Wednesday and credit card deals.

Three videos, “First Date”, “Meet the BFF” and “Boys will be Boys” were screened in cinemas nationwide on 4, 11 and 18 February 2016 respectively. The videos and e-Posters were also made available on GSC’s website and social media.



PRESS AND ANALYST BRIEFING



On 1 March 2016, PPB held its Press and Analyst Briefing to review the financial results for the year ended 31 December 2015 and update on the latest developments. The briefing which was held at Shangri-La Hotel, Kuala Lumpur was attended by 61 analysts and fund managers from various local research houses and securities firms, as well as media representatives.

During the Q&A session, PPB's Managing Director, Mr Lim Soon Huat together with the senior management of PPB's main business units dealt with questions posed by the attendees. A press conference took place thereafter, followed by lunch.



SINGAPORE FILM FESTIVAL 2016

The first-ever Singapore Film Festival was held in GSC Pavilion KL and GSC 1 Utama from 14 to 17 January 2016. Presenting 10 feature films from the late-90s to the present, the festival opened with the Malaysian premiere of 7 Letters (2015). A compilation of short films by seven of Singapore's most recognised filmmakers, 7 Letters is a heartfelt 'love letter' from each director to his/her home; many of which captured Singaporeans' personal connections with Malaysia.

Other movies include: 12 Storeys, Ilo Ilo, Sayang Disayang, Bring Back the Dead, Her Choice, In Banting, Faeryville, Innocents and 03-Flats.

The Singapore Film Festival is the finale programme of Titian Budaya, a cultural season celebrating 50 years of friendship between Singapore and Malaysia.



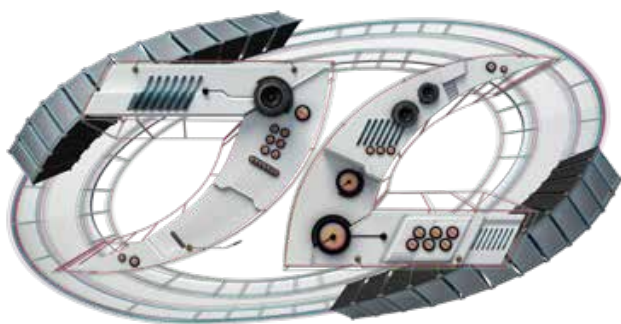
(L-R) Yeo Whee Jim (Director, Singapore Ministry of Culture, Community & Youth), Goh Ching Lee (Artistic Director/Producer CultureLink), David Lee (CultureLink), Sanif Olek (Director of Sayang Disayang), Irving Chee (GSC General Manager), HE Mr Vanu Gopala Menon (SG High Commissioner) and Royston Tan (Director of 7 Letters).

* 800
MUSIC
FANS



First Ever Live Telecast of “Anugerah Juara Lagu” in

GSC Pavilion KL



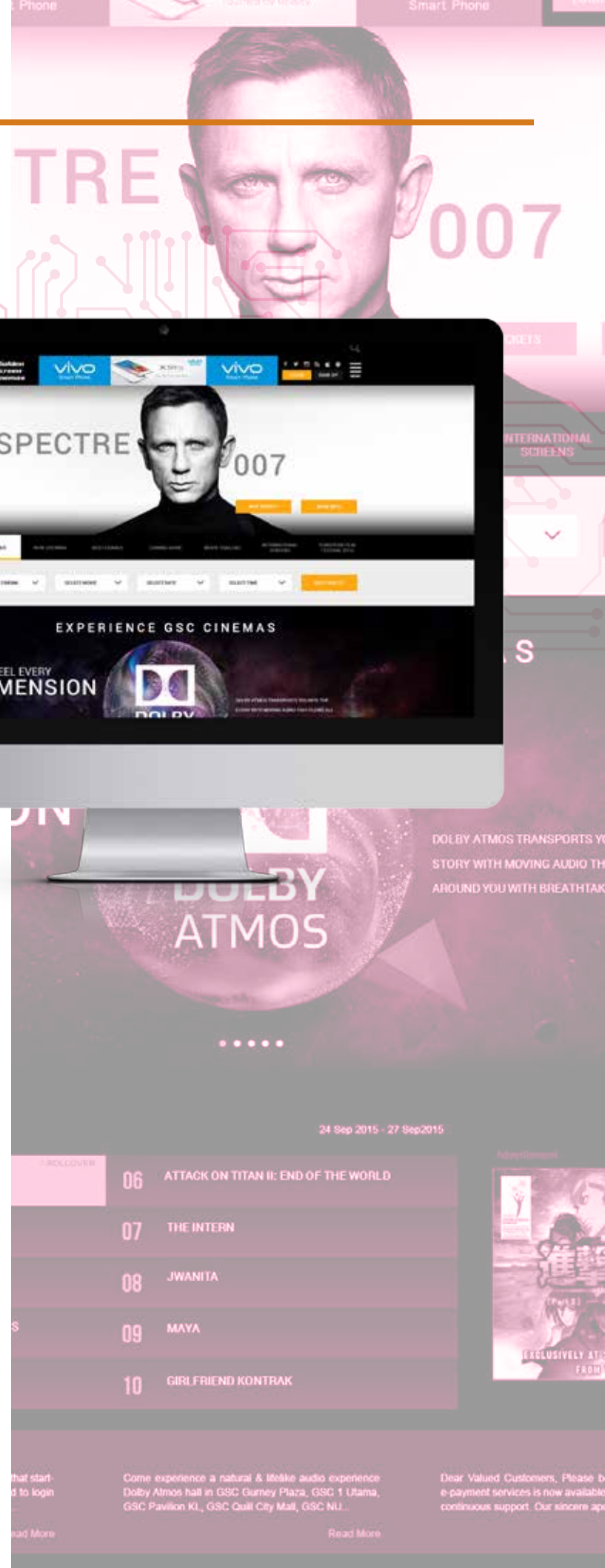
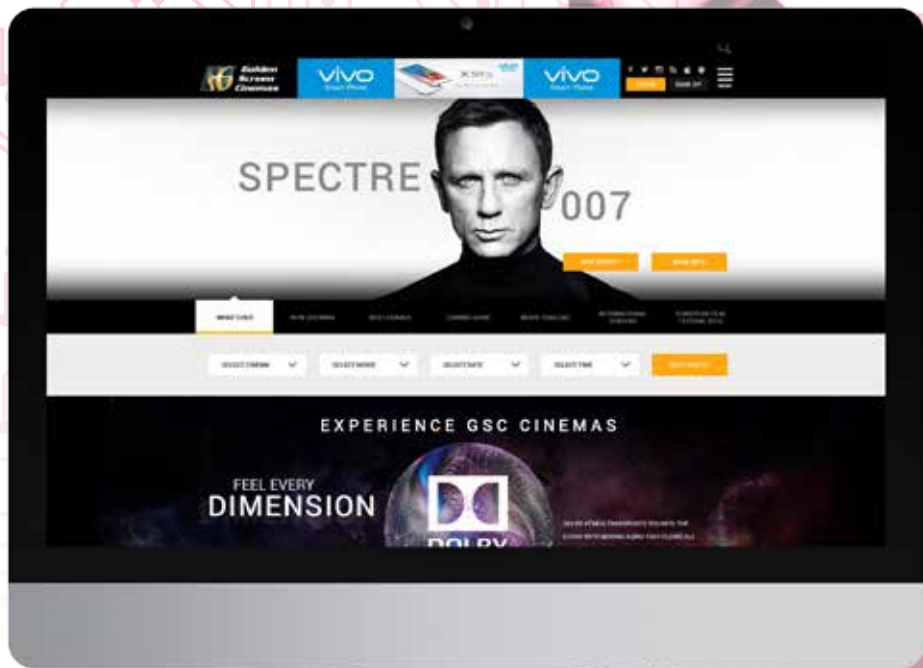
On 24 January 2016, Golden Screen Cinema Sdn Bhd (GSC) live-streamed in high definition the 30th Anugerah Juara Lagu (AJL) Awards at GSC Pavilion KL on 24 January 2016 to approximately 800 music fans. AJL was established in 1986 to honour the achievements of composers and lyricists for outstanding songs by Malaysians. 12 local music compositions competed for the coveted title of Best Song for this year’s AJL.

The live streaming was a collaboration between GSC and Tonton, Malaysia’s top video streaming portal owned by the Media Prima Group.

GSC Launches New Website

GSC launched a new responsive website on 1 January 2016 to cater to the increasing number of mobile users in Malaysia.

The new website designed to appeal to the younger and tech-savvy audience with bigger banners for better visual impact, is mobile-friendly following digital trends amongst Malaysian users who favour mobile devices over tablets and desktops.





GSC's Public Service Announcement



GSC launched its Public Service Announcement (PSA) on Emergency Evacuation with Animonsta's "BoBoiBoy The Movie" at GSC cinemas in March 2016. The PSA is aimed to provide patrons on the procedures to evacuate the cinema when there is an emergency.

CSR ACTIVITIES

CNY CELEBRATIONS WITH SENIOR CITIZENS



Dressed in red and some in cheongsam, PPB staff added to the festive atmosphere at the Setapak Old Folks Home (SOFH) on 4 February 2016 where they were welcomed by 18 cheerful senior citizens at their home.

The Chinese New Year (CNY) celebration at the home started with a short speech from Ms Koh Mei Lee, PPB's Head of Corporate Affairs, followed by tossing of the auspicious dish "yee sang". Thereafter, PPB staff served the senior citizens with an array of delicious buffet lunch. After the hearty meal, the senior citizens and PPB staff showcased their creativity at a craft session of decorating recycled glass jars. The visit ended with each senior citizen getting an angpaw and a goodie bag of toiletries, and bed linen.

SOFH also known as Rumah Warga Emas NACSCOM was established by the National Council of Senior Citizens Organisations Malaysia (NACSCOM) in the 1980s. Currently, it has a total of 18 senior citizens aged 60 and above, of whom 12 are male. Most of the senior citizens are bachelors and spinsters who have no relatives to support them. They are all able-bodied and were referred to the home by friends, the Committee of NACSCOM or were found loitering in the streets.

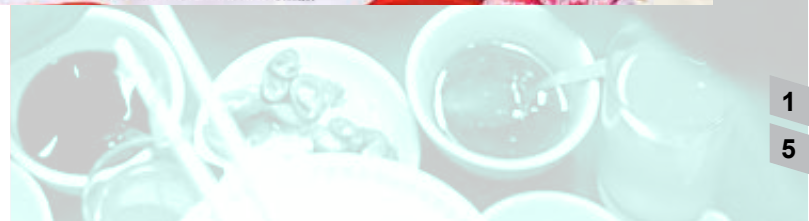


CSR Activities

At a separate occasion, Cheras Leisuremall, the shopping mall owned and managed by PPB, brought together 80 senior citizens from four charity homes - Pusat Penjagaan Warga Emas Chan Kuala Lumpur, House of Hope and Light, Rumah Charis and Persatuan Kebajikan Warga Tua Dan Kanak-Kanak WP to spend a joyful and heart-warming afternoon celebrating the festivities with a hearty luncheon at its concourse on 15 February 2016, the eighth day of Chinese New Year.

The CNY luncheon kicked off with the thunderous roll of drums to welcome the senior citizens to an auspicious start in the Year of the Monkey. They were then invited to a toss of "Prosperity Yee Sang" for good luck, longevity, health and abundance of happiness. While enjoying the scrumptious lunch, they were treated to a spectacular classic golden melody singing performance, blessings from the God of Prosperity, ang pow, mandarin oranges and gift presentation.

PPB celebrates every main festival in the country with the underprivileged to bring them cheer during festive seasons when many others are celebrating with their loved ones and families.



HEALTH AND AWARENESS CAMPAIGN



In conjunction with World Kidney Day 2016, Cheras LeisureMall (“CLM”) collaborated with Laurent Bleu Healthy Aging Clinic and Wellness Sanctuary to provide free consultation on healthy aging and wellness to shoppers. At the event held on 5 and 6 March 2016, shoppers were offered blood pressure measurement, glucose test, cholesterol test, and promotion packages on detoxification, hypertension and renal care.



FBM KLCI**Firmed in 1Q 2016****Amid Stable Oil Prices****and Strengthening****of the Ringgit**

The FBM KLCI commenced the quarter on a challenging note and touched a low of 1,600.9 points in late January 2016 amid the retracement in regional and global markets and the continued decline in crude oil prices. However, the local market subsequently rebounded in March amid firmer oil prices and strengthening of the Ringgit. The FBM KLCI closed at 1,718 points to register a quarterly gain of 1.5%.

[Source : Public Mutual website]

PPB's share price closed higher at RM16.70 compared with RM15.90 in the preceding quarter and market capitalisation increased to RM19,797.85 million. The average daily volume of PPB shares traded during the quarter increased by 27.74% to 538,398 shares.

Share Analysis

PPB Share Price & FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) Performance For 1st Q 2016

	1st Q 2016	4th Q 2015	% change
PPB share price (RM)			
Closing price (high)	16.86	16.00	5.38%
Closing price (low)	15.58	15.28	1.96%
Month end closing price	16.70	15.90	5.03%
Weighted share price	16.25	15.67	3.72%
Market capitalisation (RM' million)	19,797.85	18,849.45	5.03%
PPB share trading volume (no. of shares)			
Daily volume (high)	1,336,100	1,301,200	2.68%
Daily volume (low)	25,700	38,700	-33.59%
Average daily volume	538,398	421,477	27.74%
FBM KLCI			
FBM KLCI closing (high)	1,724.75	1,718.20	0.38%
FBM KLCI closing (low)	1,600.92	1,622.84	-1.35%
FBM KLCI quarter end closing	1,717.58	1,692.51	1.48%
FBM KLCI volume (no. of shares)			
Daily volume (high)	412,280,700	294,314,400	40.08%
Daily volume (low)	77,591,200	82,044,700	-5.43%
Average daily volume	145,163,272	138,323,339	4.94%

FBM KLCI & PPB SHARE PRICE FOR 1ST Q 2016



Group Financial Highlights

For The 1st Quarter Of 2016
(The figures have not been audited)

Financial period/year ended (All figures in RM million)	3 months		Change %	12 months
	31.3.16	31.3.15		31.12.15
INCOME STATEMENT				
Revenue	1,123	977	14.9	4,048
Profit before tax	283	267	6.0	1,181
Profit for the period/year	259	235	10.2	1,076
Profit attributable to owners of the parent	246	233	5.6	1,051
STATEMENT OF FINANCIAL POSITION				
Non-current assets	17,795	16,741	6.3	18,988
<u>Current assets</u>				
Cash, bank balances, deposits and short-term fund placements	1,255	1,110	13.1	1,196
Non-current asset classified as held for sale	8	-	100	9
Others	1,562	1,485	5.2	1,733
Total current assets	2,825	2,595	8.9	2,938
Total assets	20,620	19,336	6.6	21,926
<u>Equity</u>				
Share capital	1,186	1,186	-	1,186
Reserves	17,614	16,469	7.0	18,731
Equity attributable to owners of the parent	18,800	17,655	6.5	19,917
Non-controlling interests	637	569	12.0	636
Total equity	19,437	18,224	6.7	20,553
<u>Non-current liabilities</u>				
Long-term bank borrowings	91	60	51.7	111
Deferred tax liabilities	90	88	2.3	97
Total non-current liabilities	181	148	22.3	208
<u>Current liabilities</u>				
Short-term bank borrowings	584	508	15.0	616
Others	418	456	(8.3)	549
Total current liabilities	1,002	964	3.9	1,165
Total liabilities	1,183	1,112	6.4	1,373
Total equity and liabilities	20,620	19,336	6.6	21,926

Group Financial Highlights

For The 1st Quarter Of 2016
(The figures have not been audited)

Financial period/year ended
(All figures in RM million)

		3 months		12 months
		31.3.16	31.3.15	31.12.15
RATIOS				
Return on equity attributable to owners of the parent	(%)	1.3	1.3	5.3
Earnings per share	(sen)	20.8	19.7	88.7
Interest coverage	(times)	36.4	34.4	40.4
Current ratio	(times)	2.8	2.7	2.5
Total borrowings/Equity	(%)	3.5	3.1	3.5
Long-term borrowings/Equity	(%)	0.5	0.3	0.5
Net assets per share attributable to owners of the parent	(RM)	15.9	14.9	16.8
Net dividend per share	(sen)	-	-	25.0
STOCK MARKET INFORMATION				
Share price	(RM)	16.70	15.38	15.90
Market capitalisation	(RM million)	19,806	18,241	18,857
PE ratio	(times)	20.1	19.5	17.9

FEBRUARY 2016

15 PPB announced that the quarterly report for the 4th quarter ended 31 December 2015 would be released on 26 February 2016.

26 Release of PPB's quarterly report for the 4th quarter ended 31 December 2015.

26 A final single tier dividend of 17 sen per share in respect of the year ended 31 December 2015 was proposed for shareholders' approval at the 47th Annual General Meeting ("AGM") to be held on 10 May 2016, payable on 25 May 2016 to members whose names appear in the Record of Depositors on 13 May 2016.

The final dividend has been paid on 25 May 2016.

26 PPB announced that shareholders' approval would be sought at the 47th AGM for the following :

- a) proposed renewal of and additional shareholders' mandate for recurrent related party transactions; and
- b) proposed renewal of authority for PPB to purchase its own shares.

The ordinary resolutions to approve the above were passed by PPB shareholders at the AGM.

26 Tan Sri Datuk Oh Siew Nam's directorship was re-designated from "executive" to "non-executive" with effect from 1 March 2016.



Quarterly Report

Condensed Consolidated Income Statements For The Period Ended 31 March 2016

	Individual Quarter 3 months ended 31 March		Cumulative Quarter 3 months ended 31 March	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Revenue	1,122,614	976,986	1,122,614	976,986
Operating expenses	(1,100,573)	(939,798)	(1,100,573)	(939,798)
Other operating income	69,076	73,672	69,076	73,672
Share of net profits less losses of associates	199,111	162,337	199,111	162,337
Share of profit of joint venture	1,006	1,420	1,006	1,420
Finance costs	(7,818)	(8,076)	(7,818)	(8,076)
Profit before tax	283,416	266,541	283,416	266,541
Tax expense	(24,520)	(31,866)	(24,520)	(31,866)
Profit for the period	258,896	234,675	258,896	234,675
Attributable to :				
Owners of the parent	246,240	232,915	246,240	232,915
Non-controlling interests	12,656	1,760	12,656	1,760
Profit for the period	258,896	234,675	258,896	234,675
Basic earnings per share (sen)	20.77	19.65	20.77	19.65

(The Condensed Consolidated Income Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2015, and the accompanying explanatory notes attached to this report.)

Condensed Consolidated Statements Of Comprehensive Income For The Period Ended 31 March 2016

	Individual Quarter 3 months ended 31 March		Cumulative Quarter 3 months ended 31 March	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit for the period	258,896	234,675	258,896	234,675
Other comprehensive income/(loss), net of tax				
<u>Items that will be subsequently reclassified to profit or loss</u>				
Exchange differences on translation of foreign operations	(1,449,553)	779,711	(1,449,553)	779,711
Fair value of available-for-sale financial assets	3,734	14,040	3,734	14,040
Share of associates' other comprehensive Income/(loss)	63,151	(179,221)	63,151	(179,221)
Total comprehensive (loss)/income	(1,123,772)	849,205	(1,123,772)	849,205
Attributable to :				
Owners of the parent	(1,117,183)	834,263	(1,117,183)	834,263
Non-controlling interests	(6,589)	14,942	(6,589)	14,942
Total comprehensive (loss)/income	(1,123,772)	849,205	(1,123,772)	849,205

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 December 2015, and the accompanying explanatory notes attached to this report.)

Quarterly Report

Condensed Consolidated Statements Of Financial Position

	As at 31-Mar-16 RM'000	As at 31-Dec-15 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	1,316,382	1,356,671
Investment properties	205,364	195,831
Biological assets	3,381	3,364
Goodwill	73,746	73,746
Other intangible assets	2,848	2,962
Land held for property development	41,927	41,645
Investments in associates	15,652,487	16,813,778
Investment in joint venture	63,277	66,934
Other investments	430,465	427,198
Deferred tax assets	5,404	5,644
	17,795,281	18,987,773
Current Assets		
Inventories	528,059	682,210
Biological assets	19,915	20,769
Other intangible assets	14,432	12,175
Property development costs	4,588	4,964
Receivables	991,562	998,277
Derivative financial instruments	4,256	14,229
Cash, bank balances, deposits and short-term fund placements	1,254,554	1,196,343
	2,817,366	2,928,967
Non-current assets classified as held for sale	7,721	8,734
	2,825,087	2,937,701
TOTAL ASSETS	20,620,368	21,925,474
EQUITY AND LIABILITIES		
Equity		
Share capital	1,185,500	1,185,500
Reserves	17,614,294	18,731,477
Equity attributable to owners of the parent	18,799,794	19,916,977
Non-controlling interests	636,877	635,594
Total equity	19,436,671	20,552,571

Condensed Consolidated Statements Of Financial Position (Cont'd)

	As at 31-Mar-16 RM'000	As at 31-Dec-15 RM'000
Non-current Liabilities		
Long-term borrowings	90,664	111,170
Deferred tax liabilities	89,905	97,225
	180,569	208,395
Current Liabilities		
Payables	381,695	528,992
Derivative financial instruments	12,878	4,709
Short-term borrowings	584,083	615,707
Current tax liabilities	24,472	15,100
	1,003,128	1,164,508
Total liabilities	1,183,697	1,372,903
TOTAL EQUITY AND LIABILITIES	20,620,368	21,925,474
Net assets per share attributable to owners of the parent (RM)	15.86	16.80

(The Condensed Consolidated Income Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2015, and the accompanying explanatory notes attached to this report.)

Quarterly Report

Condensed Consolidated Statement Of Changes In Equity For The Period Ended 31 March 2016

	Non-distributable						Distributable		Non-controlling interests RM'000	Total equity RM'000	
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Fair value reserve RM'000	Hedge reserve RM'000	Capital reserve RM'000	Retained earnings RM'000			Attributable to owners of the parent RM'000
3 months ended 31 March 2016											
At 1 January 2016	1,185,500	6,715	40,477	2,729,110	(3,729)	(11,516)	165,798	15,804,622	19,916,977	635,594	20,552,571
Total comprehensive (loss)/ income	-	-	-	(1,323,927)	3,734	(64,036)	20,806	246,240	(1,117,183)	(6,589)	(1,123,772)
Transfer of reserves	-	-	(174)	-	-	-	5,568	(5,394)	-	-	-
Issue of shares to non-controlling interest	-	-	-	-	-	-	-	-	-	7,872	7,872
At 31 March 2016	1,185,500	6,715	40,303	1,405,183	5	(75,552)	192,172	16,045,468	18,799,794	636,877	19,436,671
3 months ended 31 March 2015											
At 1 January 2015	1,185,500	6,715	44,668	258,819	89,626	76,897	268,978	14,889,310	16,820,513	560,803	17,381,316
Total comprehensive income/ (loss)	-	-	-	612,599	13,998	(45,708)	20,459	232,915	834,263	14,942	849,205
Transfer of reserves	-	-	(107)	-	-	-	(29,436)	29,543	-	-	-
Acquisition of additional shares in an existing subsidiary	-	-	-	-	-	-	-	160	160	(6,685)	(6,525)
At 31 March 2015	1,185,500	6,715	44,561	871,418	103,624	31,189	260,001	15,151,928	17,654,936	569,060	18,223,996

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual financial statements for the year ended 31 December 2015, and the accompanying explanatory notes attached to this report.)

Quarterly Report

Condensed Consolidated Statement Of Cash Flows For The Period Ended 31 March 2016

	3 months ended 31 March	
	2016 RM'000	2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	283,416	266,541
Adjustments :-		
Non-cash items	(124,516)	(138,631)
Non-operating items	(2,217)	(570)
Operating profit before working capital changes	156,683	127,340
Working capital changes :-		
Net change in current assets	76,675	63,913
Net change in current liabilities	(135,134)	(126,304)
Cash generated from operations	98,224	64,949
Tax paid	(19,267)	(24,754)
Net cash generated from operating activities	78,957	40,195
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment properties, biological assets and other intangible assets	(30,929)	(60,553)
Proceeds from disposal of property, plant and equipment and investment properties	3,055	4,471
Purchase of investments	-	(11,139)
Dividends received	6,825	4,904
Income from short-term fund placements	4,155	3,812
Interest received	4,343	4,019
Repayment from associates	20,353	42,201
Distribution of profits from joint venture	-	1,973
Other investing activities	1,332	913
Net cash generated from/(used in) investing activities	9,134	(9,399)

**Condensed Consolidated Statement Of Cash Flows
For The Period Ended 31 March 2016 (Cont'd)**

	3 months ended 31 March	
	2016 RM'000	2015 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(15,947)	7,811
Interest paid	(7,898)	(9,458)
Shares issued to a non-controlling interest of a subsidiary	7,872	-
Repayment to non-controlling interest of a subsidiary	-	(2,594)
Net cash used in financing activities	(15,973)	(4,241)
Net increase in cash and cash equivalents	72,118	26,555
Cash and cash equivalents brought forward	1,196,309	1,079,040
Effect of exchange rate changes	(14,882)	4,044
Cash and cash equivalents carried forward	1,253,545	1,109,639
<u>Cash and cash equivalents represented by :</u>		
Cash and bank balances	306,385	273,785
Bank deposits	457,236	408,221
Short-term fund placements	490,933	428,402
Bank overdrafts	(1,009)	(769)
	1,253,545	1,109,639

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual financial statements for the year ended 31 December 2015, and the accompanying explanatory notes attached to this report.)

Notes

A. Financial Reporting Standard (FRS) 134 - Paragraph 16**A1. Accounting Policies**

The interim financial statements of the Group have been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) FRS 134 - Interim Financial Reporting and Chapter 9, Part K of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the audited financial statements for the financial year ended 31 December 2015 except for the adoption of the following Amendments to FRSs that are effective for financial periods beginning on or after 1 January 2016 :

Amendments to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 127	Equity Method in Separate Financial Statements
Amendments to FRS 5, FRS 7, FRS 119 and FRS 134	Annual Improvements to FRSs 2012 - 2014 Cycle
Amendments to FRS 10, FRS 12 and FRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to FRS 101	Disclosure Initiative

The adoption of the above Amendments to FRSs does not have any significant financial impact on the Group.

A2. Seasonality 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 financial 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. Dividend paid

No dividend was 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 2016

Business segments: All figures in RM'000	Grains and agribusiness	Consumer products	Film exhibition and distribution	Environmental engineering and utilities	Property	Investments in equities	Other operations	Elimination	Total
REVENUE									
External revenue	726,674	150,953	144,837	59,493	11,550	75	29,032	-	1,122,614
Inter-segment sales	28,838	2	-	-	531	-	9,926	(39,297)	-
Total revenue	755,512	150,955	144,837	59,493	12,081	75	38,958	(39,297)	1,122,614
RESULTS									
Segment results	37,847	2,625	33,987	3,979	5,258	228	2,875	-	86,799
Share of associates' profits less losses	8,140	(50)	3,660	1,150	4,583	-	181,628	-	199,111
Share of joint venture's profit	-	-	-	1,006	-	-	-	-	1,006
Interest income									4,024
Income from short-term fund placements									4,604
Finance costs									(7,818)
Unallocated corporate expenses									(4,310)
Profit before tax									283,416
ASSETS									
Segment assets	2,101,475	482,595	323,745	117,691	328,806	430,466	143,388	(806)	3,927,360
Investments in associates	289,752	1,901	152,794	48,789	184,415	-	14,974,836	-	15,652,487
Investment in joint venture	-	-	-	63,277	-	-	-	-	63,277
Bank deposits and short-term fund placements									948,169
Tax assets									
Other unallocated corporate assets									10,246
Total assets									18,829
									20,620,368

Quarterly Report

Notes (Cont'd)

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.

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.

A11. Capital commitments

Authorised capital commitments not provided for in the interim financial report as at 31 March 2016 were as follows :

	RM'000
Property, plant and equipment and investment properties	
- contracted	117,974
- not contracted	225,125
	343,099
Other capital commitments	
- contracted	100,889
	443,988

A12. Significant related party transactions

Significant related party transactions during the financial period ended 31 March 2016 were as follows:

	RM'000
Transactions with associates	
- Management fee received/ receivable	95
- Film rental received/ receivable	344
- Purchase of goods	1,284
Transactions with a subsidiary of the ultimate holding company	
- Sales of goods	2,334
Transactions with subsidiaries of an associate	
- Purchase of goods	39,800
- Sales of goods	14,634
- Rental received	848
- Security and other service fees paid and payable	542
- Marketing fees received/ receivable	307
- Supervision fees received/ receivable	288
- Charter hire of vessels	9,529

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

Group revenue increased by 15% in 1Q2016 to RM1.12 billion as compared to RM977 million in 1Q2015. This was primarily driven by higher revenue from the *Grains and agribusiness*, *Film exhibition and distribution* and *Consumer products* segments. This increase was however partly offset by lower revenue from the *Environmental engineering and utilities* as well as *Property* segments in the quarter under review.

The Group registered a profit before tax of RM283 million in 1Q2016, 6% higher than the RM267 million in 1Q2015. The increase was from better results registered by the film exhibition business and higher profit contribution from our associate Wilmar International Limited (“Wilmar”), despite the lower profits recorded by *Grains and agribusiness*.

Group financial performance by business segment

	1Q2016	1Q2015	Variance	
	RM'000	RM'000	RM'000	%
<u>Revenue</u>				
Grains and agribusiness	755,512	638,455	117,057	18%
Consumer products	150,955	143,950	7,005	5%
Film exhibition and distribution	144,837	105,895	38,942	37%
Environmental engineering and utilities	59,493	75,196	(15,703)	(21%)
Property	12,081	13,988	(1,907)	(14%)
Investments and Other operations	39,033	35,568	3,465	10%
Elimination	(39,297)	(36,066)	(3,231)	
Total revenue	1,122,614	976,986	145,628	15%

	1Q2016	1Q2015	Variance	
	RM'000	RM'000	RM'000	%
<u>Segment results</u>				
Grains and agribusiness	37,847	79,577	(41,730)	(52%)
Consumer products	2,625	4,187	(1,562)	(37%)
Film exhibition and distribution	33,987	16,204	17,783	>100%
Environmental engineering and utilities	3,979	2,802	1,177	42%
Property	5,258	6,778	(1,520)	(22%)
Investments and Other operations	3,103	(2,176)	5,279	>100%
Total segment results	86,799	107,372	(20,573)	(19%)
Share of associates and joint venture's profits less losses	200,117	163,757	36,360	22%
Interest income, finance costs, income from short-term fund placements and unallocated expenses	(3,500)	(4,588)	1,088	24%
Total profit before tax	283,416	266,541	16,875	6%

Quarterly Report

Notes (Cont'd)

Grains and agribusiness

Revenue grew by 18% to RM756 million in 1Q2016 compared with RM638 million in the corresponding period last year mainly from higher flour sales volume in Vietnam, Indonesia and Malaysia. Increased feed sales volume also contributed to the revenue growth.

The segment profits decreased to RM38 million in 1Q2016 from RM80 million a year ago. While overseas operations delivered improved results in 1Q2016, the segment performance was affected by lower profits from the Malaysian flour mills due to higher raw material cost, lower margins and unfavourable foreign exchange translation positions.

Consumer products

The segment posted revenue of RM151 million in 1Q2016 compared with RM144 million in the corresponding quarter last year, mainly due to the commencement of new agency products distribution and higher sales of existing agency products.

In 1Q2016, segment profit was lower at RM2.6 million compared to RM4.2 million for the corresponding quarter last year, mainly caused by lower margins, and higher staff and distribution costs.

Film exhibition and distribution

The film exhibition and distribution business achieved a record first quarter revenue of RM145 million, 37% higher than the RM106 million in 1Q2015. Contributions from the 5 new cinemas opened in 2015, strong local and blockbuster and Chinese New Year movie releases, higher concession sales together with higher screen advertising income contributed to the revenue growth.

In 1Q2016, segment profit surged to RM34 million compared with RM16 million in 1Q2015 in line with the higher revenue. A foreign exchange translation gain on a USD-denominated loan has also contributed to the increase.

Environmental engineering and utilities

Revenue in 1Q2016 was lower at RM59 million compared with RM75 million in 1Q2015. Some of the environmental engineering projects which had contributed significantly in 1Q2015 have either completed or are at their completing stages.

Higher segment profit for 1Q2016 of RM4 million as compared to the same period last year was due to improved margins from the environmental engineering projects at their completion stages.

Property

Property segment posted revenue of RM12 million in 1Q2016, mainly derived from rental of investment properties. Lower project management and marketing fee income resulted in a decrease in revenue compared with the corresponding quarter last year.

Segment profit was lower at RM5.3 million in 1Q2016 compared with RM6.8 million in 1Q2015 in line with the lower revenue.

Investments and Other operations

The combined segments revenue increased by 10% in 1Q2016 to RM39 million compared with RM36 million in 1Q2015, mainly due to higher sales from the chemicals trading and manufacturing business.

The combined segments collectively registered profits of RM3.1 million in 1Q2016 against losses of RM2.2 million in 1Q2015, mainly from improved sales in higher margin products in the chemical trading and manufacturing business. The packaging business recorded a small profit in 1Q2016 compared to a loss in 1Q2015 when relocation expenses were incurred in moving its operations to Myanmar.

Share of associates and joint venture's profits less losses

The Group's associates and joint venture contributed higher profits of RM200 million in 1Q2016 compared with RM164 million in 1Q2015. Enhanced by a favourable foreign exchange translation gain on the Group's share of Wilmar's results, Wilmar contributed higher profit of RM181 million in 1Q2016 compared with RM159 million in the corresponding quarter last year.

Notes (Cont'd)

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

	1Q2016	4Q2015	Variance	
	RM'000	RM'000	RM'000	%
Segment results				
Grains and agribusiness	37,847	72,745	(34,898)	(48%)
Consumer products	2,625	10,072	(7,447)	(74%)
Film exhibition and distribution	33,987	15,433	18,554	>100%
Environmental engineering and utilities	3,979	2,449	1,530	62%
Property	5,258	4,842	416	9%
Investments and Other operations	3,103	(3,181)	6,284	>100%
Total segment results	86,799	102,360	(15,561)	(15%)
Share of associates and joint venture's profits less losses	200,117	280,474	(80,357)	(29%)
Interest income, finance costs, income from short-term fund placements and unallocated expenses	(3,500)	(4,086)	586	14%
Total profit before tax	283,416	378,748	(95,332)	(25%)

The Group reported a profit before tax of RM283 million in 1Q2016 from RM379 million in 4Q2015.

The *Grains and agribusiness* segment's profits decreased by RM35 million mainly caused by unfavourable foreign exchange translation positions and raw material price movements. The *Consumer products* segment recorded lower profits compared with 4Q2015 when advertising and promotional expenses were lower. Wilmar contributed lower profits of RM181 million in 1Q2016 compared with RM266 million in 4Q2015.

The *Film exhibition and distribution* segment achieved higher profits riding on higher admissions, strong movie titles released coupled with foreign exchange translation gain. The *Investments and Other operations* segment reported better results in 1Q2016, as the 4Q2015 results were impacted by impairment of assets for the packaging business. The *Environmental engineering and utilities* segment earned higher profits on improved margins.

B3. Prospects for the current financial year

Bank Negara Malaysia has reported that the Malaysian economy is expected to remain on a sustained growth path of 4% to 4.5% despite the challenging economic environment globally and domestically. Domestic demand will continue to be the principal driver of growth but consumption is expected to grow at a moderate pace as households continue to adjust to the rising cost of living.

Despite cautious consumer spending, the food industry as a whole remains robust which bodes well for the Group's *Grains and agribusiness* segment. The *Consumer products* segment anticipates better performance having secured a new line of agency products in 2016. The cinema business delivered a strong first quarter performance and should continue to benefit from its newly-opened cinemas and line-up of movie releases for the rest of the year. The *Environmental engineering and utilities* segment is expected to achieve lower revenue reflecting the current contracts in hand, and property sales are slower due to weak market sentiment.

The Group's overall consolidated financial results will continue to be supported by Wilmar's business performance.

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-16 RM'000	Cumulative Quarter 3 months ended 31-Mar-16 RM'000
Profit before tax is stated after crediting :		
Dividend income	75	75
Fair value gain on derivatives	27,800	27,800
Foreign exchange gain	21,942	21,942
Interest income	4,024	4,024
Income from short-term fund placements	4,604	4,604
Rental income	1,332	1,332
Gain on financial assets at fair value through profit or loss	153	153
Profit before tax is stated after charging :		
Allowance for doubtful debts and receivables written-off	(233)	(233)
Depreciation and amortisation	(29,111)	(29,111)
Fair value loss on derivatives	(17,748)	(17,748)
Foreign exchange loss	(35,360)	(35,360)
Interest expense	(7,818)	(7,818)

B6. Tax expense

	Individual Quarter 3 months ended 31-Mar-16 RM'000	Cumulative Quarter 3 months ended 31-Mar-16 RM'000
Taxation comprises :		
Malaysian taxation		
Current	26,515	26,515
Deferred	(6,130)	(6,130)
	20,385	20,385
Foreign taxation		
Current	5,075	5,075
Deferred	(917)	(917)
	24,543	24,543
Over provision in prior year		
Current	(23)	(23)
	24,520	24,520

The effective tax rate is higher than the average statutory rate for the period mainly due to deferred tax credit not recognised by certain subsidiaries. Deferred tax benefit will be recognised when the subsidiaries are able to estimate accurately the timing of its future profits.

Notes (Cont'd)

B7. Status of corporate proposals

There were no corporate proposals announced but not completed as at 24 May 2016.

B8. Group borrowings

Total Group borrowings as at 31 March 2016 were as follows :

	Total RM'000	Secured RM'000	Unsecured RM'000
Long-term bank borrowings	125,168	125,168	-
Long-term bank loans (USD)	(34,504)	(34,504)	-
Repayments due within the next 12 months	90,664	90,664	-
Short-term bank borrowings			
Bills payable	194,800	-	194,800
Short-term loans	850	-	850
Short-term loans (USD)	233,184	-	233,184
Short-term loans (IDR)	78,705	-	78,705
Short-term loans (VND)	41,031	-	41,031
Current portion of long-term loans	34,504	34,504	-
	583,074	34,504	548,570
Bank overdrafts	1,009	-	1,009
	584,083	34,504	549,579

B9. Material litigation

There was no material litigation as at 24 May 2016.

B10. Dividends

The final single tier dividend for the financial year ended 31 December 2015 of 17 sen per share was approved by shareholders at the 47th Annual General Meeting held on 10 May 2016, and was paid on 25 May 2016.

Dividends paid

Dividends paid for the financial year 2015 and up to the date of this report are as follows :

Financial Year	Type	Amount per share	Date paid
2015	Interim dividend	8 sen	28 September 2015
2015	Final dividend	17 sen	25 May 2016

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.

Quarterly Report

Notes (Cont'd)

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

There was no qualification in the audit report on 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-16 RM'000	As at 31-Dec-15 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries :		
- Realised	12,837,541	12,743,455
- Unrealised	(117,276)	(84,591)
	12,720,265	12,658,864
Total share of retained profits/(accumulated losses) from associates :		
- Realised	156,298	151,631
- Unrealised	(1,537)	(1,543)
- Wilmar International Limited ("Wilmar") *	5,455,814	5,265,268
Total share of retained profits from joint venture :		
- Realised	8,569	8,313
	18,339,409	18,082,533
Less : consolidation adjustments	(2,293,941)	(2,277,911)
Total Group retained profits as per consolidated accounts	16,045,468	15,804,622

* 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 may be considered price-sensitive information, it would not be appropriate for Wilmar to selectively disclose such information to any particular shareholder.

Kuala Lumpur
31 May 2016

By Order of the Board
Mah Teck Keong
Company Secretary



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