



# PPB GROUP BERHAD

## Analyst & Press Briefing Unaudited 1H11 Results 26 August 2011



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



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# Group Financial Highlights



# PPB Group Operations

**PPB Group  
Operations**

-  **Grains Trading, Flour & Feed Milling**
-  **Marketing, Distribution & Manufacturing of Consumer Products**
-  **Film Exhibition & Distribution**
-  **Waste Management & Utilities**
-  **Property Investment & Development**
-  **Others**

# Financial Results FOR THE 6 MONTHS ENDED 30 JUNE

	2011 (RM)	2010# (RM)	Change
Revenue	1.256 bil	1.085 bil	↑ 15.8%
Operating Expenses	1.166 bil	981.3 mil	↑ 18.8%
PBT	578.1 mil	628.5 mil	↓ 8.0%
Profit for the Period	560.4 mil	608.3 mil	↓ 7.9%
EPS	45.69 sen	50.98 sen	↓ 10.4%
<i>Share of Wilmar's Profit</i>	432.2 mil	452.3 mil	↓ 4.4%

# Financial results of continuing operations.



# Financial Ratios FOR THE 6 MONTHS ENDED 30 JUNE

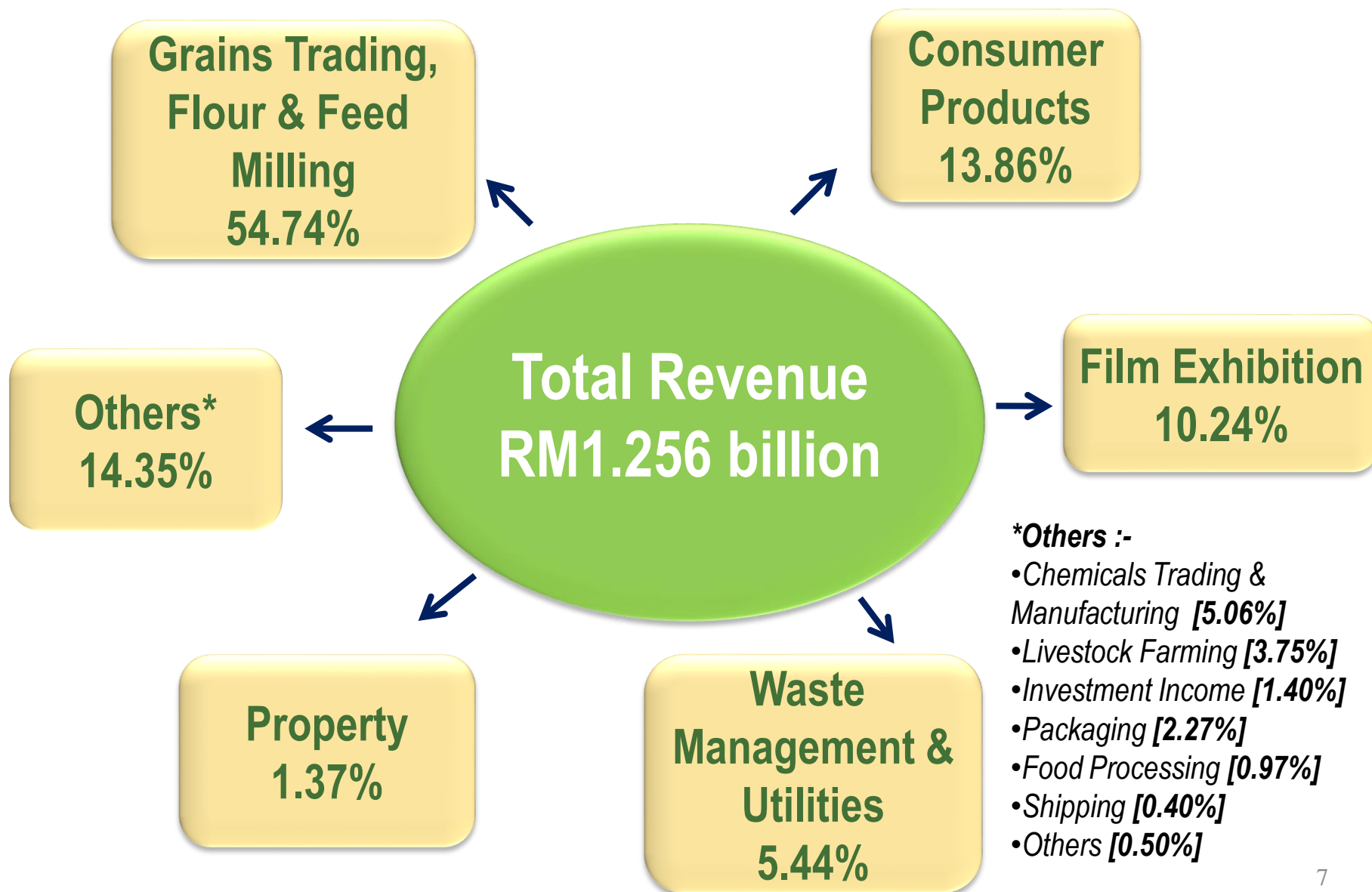
	2011	2010	
Profit for the Period	560.4 mil	RM1.447 bil*	↓ 61.3%
EPS	45.69 sen	121.7 sen	↓ 62.5%
ROE Attributable to Shareholders	4.0 %	10.2%	
Net Assets Per Share Attributable to Shareholders	RM11.41	RM11.93	↓ 4.4%

\* Includes gain on sale of the sugar-related assets of RM838 million.



# Segmental Information

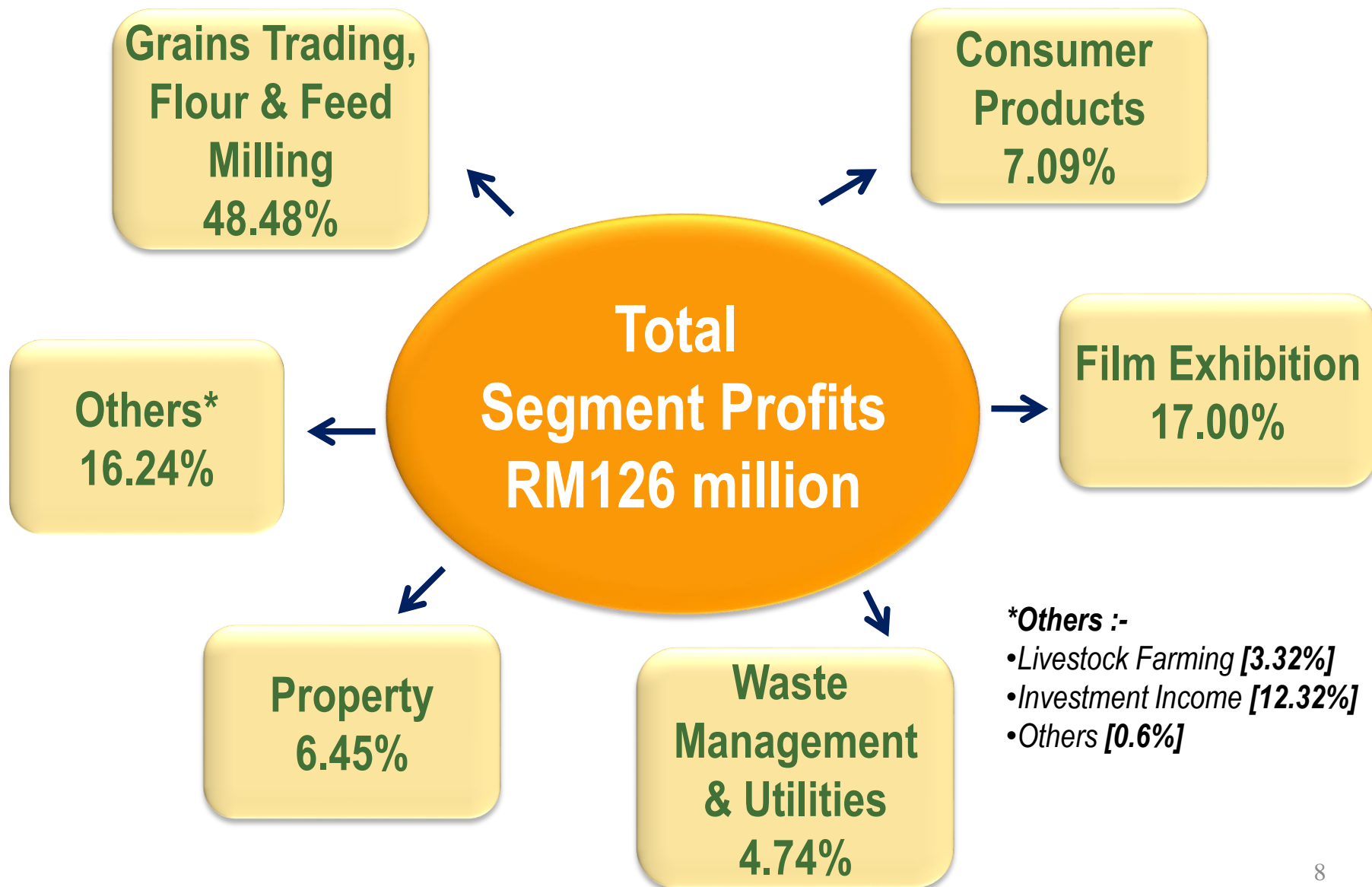
FOR THE 6 MONTHS ENDED 30 JUNE 2011





# Segmental Information

FOR THE 6 MONTHS ENDED 30 JUNE 2011



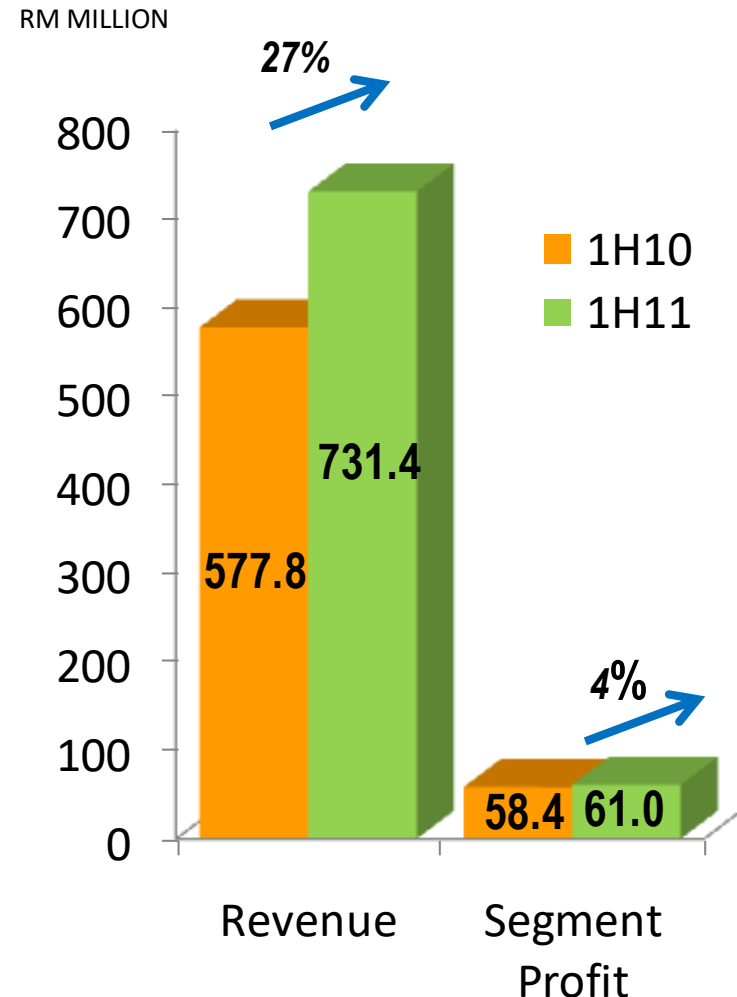





# Review Of Major Operations



# Review of Major Operations



## GRAINS TRADING, FLOUR AND FEED MILLING

 The better revenue and operating profit were due to higher sales of flour in Indonesia and Vietnam as well as increased grains trading volume.

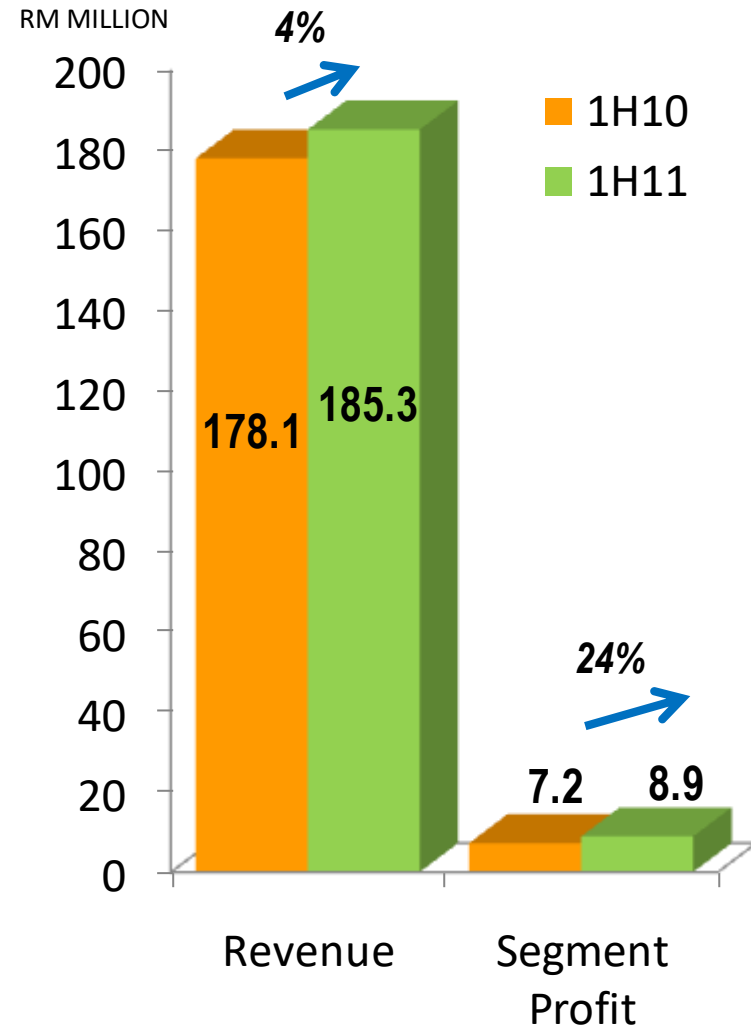


# Review of Major Operations

## CONSUMER PRODUCTS DISTRIBUTION

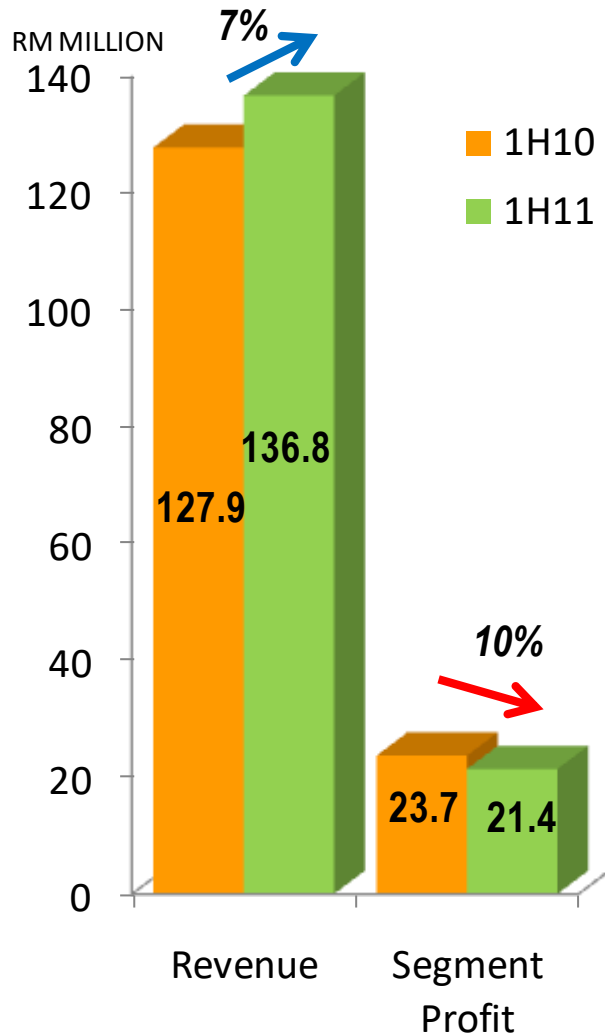


Revenue and operating profit improved due to higher contribution from agency products arising from major promotions for Clorox, Green Spot and Orang Kampong.







# Review of Major Operations



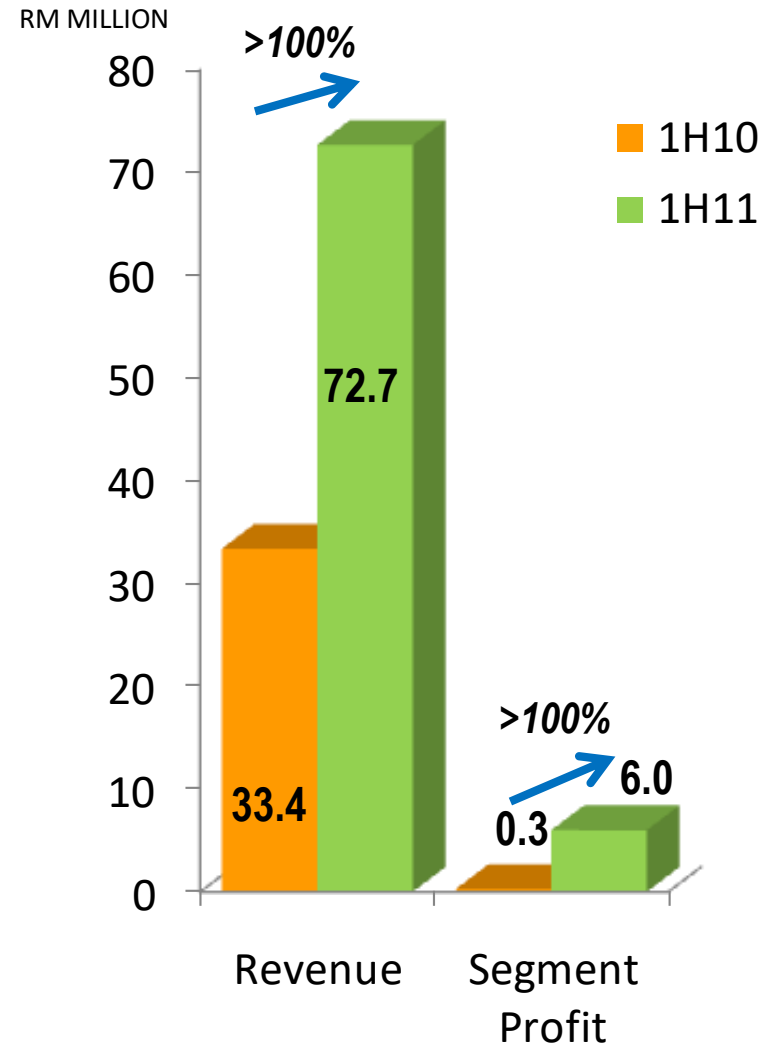
## FILM EXHIBITION AND DISTRIBUTION

 Revenue for 1H11 increased due to the opening of GSC Suria Sabah, GSC Aeon Melaka and an additional screen at GSC IOI.

 Operating profit decreased due to a weak 1Q11 but stronger titles released in 2011 such as “*Fast 5*”, “*Kung Fu Panda 2*” and “*Pirates of the Caribbean*” managed to offset part of the drop in profits in 1Q11.






# Review of Major Operations



## ENVIRONMENTAL ENGINEERING, WASTE MANAGEMENT & UTILITIES

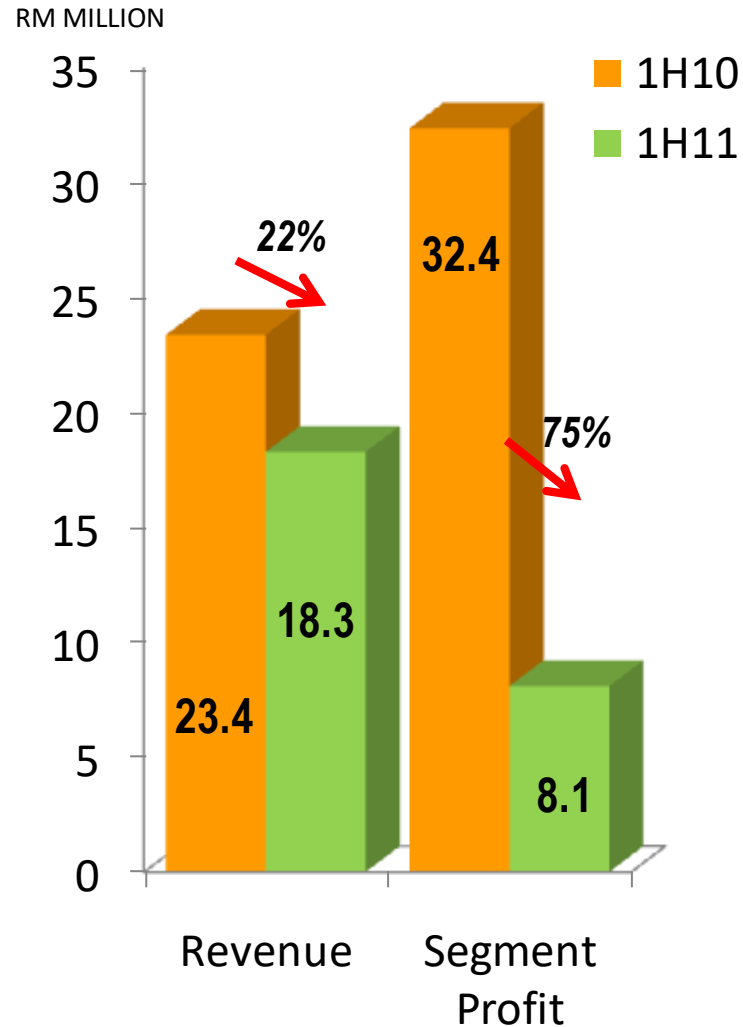


The higher revenue and operating profit for 1H11 were mainly contributed by the following projects :-


-  Variation Order Works for Putrajaya Sewage Treatment Plant
-  Ngoi-Ngoi Water Treatment Plant in Negeri Sembilan
-  Batu Kitang Water Treatment Plant in Kuching, Sarawak




# Review of Major Operations



## PROPERTY INVESTMENT AND DEVELOPMENT

 Revenue and operating profit for 1H11 reduced substantially as there were lower property sales during the period under review.

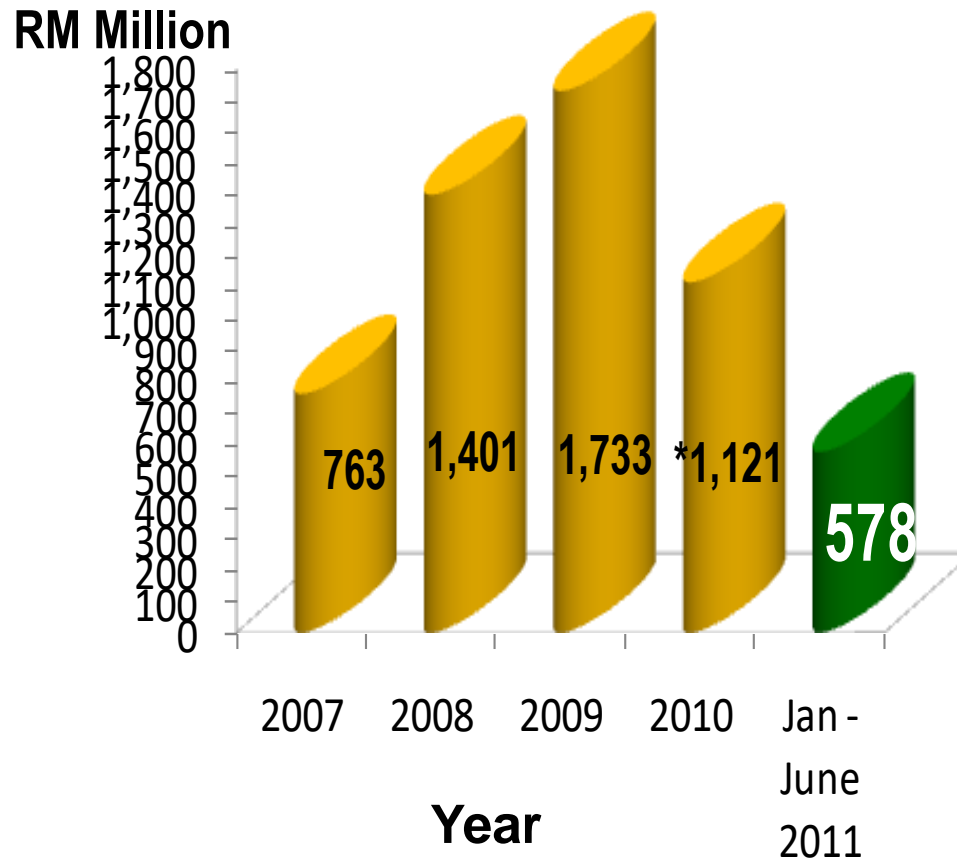
 There was a one-off gain of RM22.3 million from sale of investment property in 2010.



# 5-Year Financial Performance



# 5-Year PBT of PPB Group



\* Excludes gain on sale of sugar-related assets.





# Dividend Record



# Dividend Record

	Dividend Per Share		Net Dividend	Net Dividend	Payout Ratio	
	Gross	Net	Paid/payable	Yield	Group	Company
Year	(sen)	(sen)	(RM million)	(%)	(%)	(%)
<b>2011 Interim</b>	<b>*10</b>	<b>10</b>	<b>118.550</b>	<b>0.6</b>	<b>21.9</b>	<b>14.6</b>
<b>2010</b>	88	88	1,043.240	5.1	100.1	294.1
<b>2009</b>	73	73	865.415	4.6	53.6	14.8
<b>2008</b>	85	68.88	816.572	7.4	63.5	116.0
<b>2007</b>	30	22.15	262.588	2.0	41.9	63.7

\*The Board declared an interim single tier dividend of 10 sen per share for the financial year ending 31 December 2011 payable on 28 September 2011.



# Share Information



# Share Performance








# Prospects for 2011



# Prospects for 2011

-  Volatile commodity prices, rising fuel costs coupled with fluctuating currency exchange rates are the main challenging factors which would affect PPB Group results for financial year 2011.
-  Intense competition from major flour millers is expected in Vietnam, especially after the global wheat price reduction at the end of 2Q11.
-  Animal Feed business is expected to be challenging as a result of overcapacity in the commercial feed sector.





# Prospects for 2011

-  Consumer Products Distribution division is expected to perform well in 3Q11 due to increased trade activities during the Hari Raya celebration.
-  Golden Screen Cinemas plans to roll out another 15 digital projection systems to capitalise on the 3D movies released and will continue to open new cinemas in key locations.
-  The Property division is expected to launch its final phase of Masera with 13 units of exclusive bungalows in 4Q11.



# Prospects for 2011

-  Environmental Engineering, Waste Management and Utilities Division successfully secured 3 projects with a combined contract value of RM120 million namely, the Intake Plant and Pump Station at Bertam, Durian Tunggal, Melaka; the Semangar Water Treatment Plant in Kota Tinggi, Johor and the Project Bekalan Air Luar Bandar, Wilayah Serian, Samarahan, Sarawak
-  The outlook for consumer demand in Malaysia and the Asian region remains encouraging and PPB Group is optimistic that the performance for 2011 will be satisfactory.





# Questions & Answers