IJM CORPORATION BERHAD (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended:	**31/03/2018**
Quarter:	**4th Quarter**
Financial Year End:	**31/03/2018**
The figures:	**Have been audited**
Full Quarterly Report:	**Refer attached**

Part A2 : Summary of Key Financial Information for the financial period ended 31/03/2018

	Individual Quarter		**Cumulative Period**	
	Current year quarter 31/03/2018 RM'000	Preceding year quarter 31/03/2017 RM'000	Current year to date 31/03/2018 RM'000	Preceding year to date 31/03/2017 RM'000
1 Revenue	1,398,630	1,669,318	6,026,948	6,065,335
2 Profit before taxation	77,656	375,212	629,559	1,010,010
3 Net profit for the period	12,406	297,242	390,689	766,804
4 Net profit attributable to owners of the Company	11,188	236,004	349,809	653,773
5 Basic earnings per share (sen)	0.31	6.54	9.65	18.16
6 Proposed/Declared dividend per share (sen)	3.00	4.50	6.00	7.50

	As at end of current quarter 31/03/2018	**As at preceding financial year end**
7 Net assets per share attributable to ordinary equity holders of the Company (RM)	2.62	2.63

IJM CORPORATION BERHAD (104131-A)

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
(The figures have been audited)

	Individual Quarter			Cumulative Period		
	Current year quarter	Preceding year quarter	Change (+/-)	Current year to date	Preceding year to date	Change (+/-)
	31/03/2018 RM'000	31/03/2017 RM'000	%	31/03/2018 RM'000	31/03/2017 RM'000	%
Operating revenue	**1,398,630**	1,669,318	-16.2%	**6,026,948**	6,065,335	-0.6%
Cost of sales	**(1,104,799)**	(1,225,626)	-9.9%	**(4,788,194)**	(4,638,326)	3.2%
Gross profit	**293,831**	443,692	-33.8%	**1,238,754**	1,427,009	-13.2%
Other operating income	**56,994**	95,270	-40.2%	**208,503**	229,662	-9.2%
Foreign exchange differences	**4,834**	15,422	-68.7%	**(3,721)**	30,117	-112.4%
Tendering, selling and distribution expenses	**(56,851)**	(60,055)	-5.3%	**(182,875)**	(200,149)	-8.6%
Administrative expenses	**(104,597)**	(72,086)	45.1%	**(365,614)**	(339,015)	7.8%
Other operating expenses	**(30,757)**	(20,512)	49.9%	**(75,352)**	(66,015)	14.1%
Operating profit before finance cost	**163,454**	401,731	-59.3%	**819,695**	1,081,609	-24.2%
Finance cost	**(41,898)**	(49,438)	-15.3%	**(185,674)**	(144,670)	28.3%
Operating profit after finance cost	**121,556**	352,293	-65.5%	**634,021**	936,939	-32.3%
Share of (losses)/profits of associates	**(28,511)**	11,945	-338.7%	**5,540**	56,403	-90.2%
Share of (losses)/profits of joint ventures	**(15,389)**	10,974	-240.2%	**(10,002)**	16,668	-160.0%
Profit before taxation	**77,656**	375,212	-79.3%	**629,559**	1,010,010	-37.7%
Income tax expense	**(65,250)**	(77,970)	-16.3%	**(238,870)**	(243,206)	-1.8%
Net profit for the period	**12,406**	297,242	-95.8%	**390,689**	766,804	-49.0%
Other comprehensive income / (loss) (net of tax):						
Items that will not be reclassified to profit or loss:						
Revaluation gains on property, plant and equipment	**-**	20,562		**-**	20,562	
Share of other comprehensive income/(losses) of associates	**10**	-		**(3,449)**	-	
Actuarial gain on defined benefit plan	**1,643**	-		**1,643**	-	
Others	**(38)**	-		**(38)**	-	
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences of foreign operations	**(54,856)**	44,148		**(180,359)**	138,237	
Realisation of other comprehensive loss arising from dilution of interests in an associate	**1,873**	-		**1,873**	-	
Realisation of other comprehensive income arising from disposal of a foreign associate	**-**	-		**-**	(4,890)	
Share of other comprehensive (losses)/income of associates	**(1,327)**	13,787		**(19,029)**	4,095	
	(52,695)	78,497	-167.1%	**(199,359)**	158,004	-226.2%
Total comprehensive (loss)/income for the period	**(40,289)**	375,739	-110.7%	**191,330**	924,808	-79.3%
Net profit attributable to:-						
Owners of the Company	**11,188**	236,004	-95.3%	**349,809**	653,773	-46.5%
Non-controlling interests	**1,218**	61,238	-98.0%	**40,880**	113,031	-63.8%
	12,406	297,242	-95.8%	**390,689**	766,804	-49.0%
Total comprehensive income/(loss) attributable to:-						
Owners of the Company	**(23,001)**	317,541	-107.2%	**206,509**	770,202	-73.2%
Non-controlling interests	**(17,288)**	58,198	-129.7%	**(15,179)**	154,606	-109.8%
	(40,289)	375,739	-110.7%	**191,330**	924,808	-79.3%
Earnings per share (sen):-						
Basic	**0.31**	6.54		**9.65**	18.16	
Fully diluted	**0.31**	6.46		**9.62**	17.94	

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET

	31/03/2018 RM'000 (Audited)	31/03/2017 RM'000 (Audited)
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	**6,074,349**	6,022,651
Treasury shares	**(2,104)**	(10)
Shares held under trust	**(1,521)**	(4,016)
Other reserves	**41,607**	175,746
Retained profits	**3,376,581**	3,302,903
	9,488,912	9,497,274
Non-controlling interests	**1,276,411**	1,319,406
Total equity	**10,765,323**	10,816,680
NON-CURRENT LIABILITIES		
Bonds	**1,910,000**	1,950,000
Term loans	**940,150**	2,121,809
Government support loans	**125,715**	154,474
Hire purchase and lease payables	**290**	802
Deferred tax liabilities	**682,177**	669,456
Trade and other payables	**696,690**	701,402
Provisions	**117,087**	109,705
Retirement benefits	**19,410**	10,511
	4,491,519	5,718,159
DEFERRED INCOME	**70,355**	73,063
	15,327,197	16,607,902

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET

	31/03/2018 RM'000 (Audited)	31/03/2017 RM'000 (Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	**1,990,135**	1,989,646
Land use rights	**150,668**	165,831
Concession assets	**3,342,386**	3,097,066
Plantation development expenditure	**1,107,848**	1,201,570
Investment properties	**498,601**	68,867
Associates	**829,134**	901,392
Joint ventures	**708,425**	754,783
Available-for-sale financial assets	**2,155**	2,155
Long term receivables	**251,352**	176,699
Deferred tax assets	**304,147**	297,762
Land held for property development	**663,465**	514,788
Intangible assets	**101,596**	102,618
	9,949,912	9,273,177
CURRENT ASSETS		
Property development costs	**6,128,340**	5,587,380
Inventories	**1,334,243**	1,421,961
Trade and other receivables	**1,952,313**	2,031,003
Financial assets at fair value through profit or loss	**311,079**	299,164
Derivative financial instruments	**1,055**	2,909
Assets held for sale	**124**	-
Tax recoverable	**150,041**	129,329
Deposits, cash and bank balances	**1,467,653**	2,147,777
	11,344,848	11,619,523
CURRENT LIABILITIES		
Trade and other payables	**3,020,359**	2,518,205
Provisions	**2,764**	10,718
Derivative financial instruments	**5,858**	-
Borrowings:		
- Bank overdrafts	**32,309**	44,514
- Others	**2,871,808**	1,698,382
Current tax liabilities	**34,465**	12,979
	5,967,563	4,284,798
NET CURRENT ASSETS	**5,377,285**	7,334,725
	15,327,197	16,607,902
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	**2.62**	2.63

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2018
(The figures have been audited)

	<------Attributable to owners of the Company------>								
	Share capital RM'000	**Treasury shares RM'000**	**Shares held under trust RM'000**	**Share premium RM'000**	**Other reserves RM'000**	**Retained profits RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 April 2017	**6,022,651**	**(10)**	**(4,016)**	**-**	**175,746**	**3,302,903**	**9,497,274**	**1,319,406**	**10,816,680**
Total comprehensive income for the year	-	-	-	-	(140,701)	347,210	206,509	(15,179)	**191,330**
Share of reserves in an associate	-	-	-	-	1,652	2,766	4,418	-	**4,418**
Dilution of interest in an associate	-	-	-	-	-	(1,843)	(1,843)	-	**(1,843)**
Issuance of employee share options and share grants	-	-	-	-	35,769	-	35,769	-	**35,769**
Accretion of interests in a subsidiary	-	-	-	-	-	(2,412)	(2,412)	1,608	**(804)**
Single tier second interim dividend: Year ended 31 March 2017	-	-	-	-	-	(163,195)	(163,195)	-	**(163,195)**
Single tier first interim dividend: Year ended 31 March 2018	-	-	-	-	-	(108,848)	(108,848)	-	**(108,848)**
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	(29,844)	**(29,844)**
Issuance of shares by a subsidiary to non-controlling shareholders	-	-	-	-	-	-	-	420	**420**
Issuance of shares:									
- exercise of employee share options	19,983	-	9,864	-	(6,513)	-	23,334	-	**23,334**
- vesting of shares under ESGP	24,346	-	-	-	(24,346)	-	-	-	**-**
- shares held under trust	7,369	-	(7,369)	-	-	-	-	-	**-**
Shares buy back	-	(2,094)	-	-	-	-	(2,094)	-	**(2,094)**
At 31 March 2018	**6,074,349**	**(2,104)**	**(1,521)**	**-**	**41,607**	**3,376,581**	**9,488,912**	**1,276,411**	**10,765,323**
At 1 April 2016	3,584,805	(3)	(3,812)	2,349,079	56,208	3,042,082	9,028,359	1,208,045	10,236,404
Total comprehensive income for the year	-	-	-	-	117,768	652,434	770,202	154,606	924,808
Share of reserves in an associate	-	-	-	-	(821)	722	(99)	-	(99)
Accretion of interest in an associate	-	-	-	-	-	(1,229)	(1,229)	-	(1,229)
Issuance of employee share options and share grants	-	-	-	-	39,560	-	39,560	-	39,560
Accretion of interests in subsidiaries	-	-	-	-	402	(31,077)	(30,675)	(13,770)	(44,445)
Single tier second interim dividend: Year ended 31 March 2016	-	-	-	-	-	(143,967)	(143,967)	-	(143,967)
Single tier special dividend: Year ended 31 March 2016	-	-	-	-	-	(107,975)	(107,975)	-	(107,975)
Single tier first interim dividend: Year ended 31 March 2017	-	-	-	-	-	(108,087)	(108,087)	-	(108,087)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	(35,375)	(35,375)
Issuance of shares by a subsidiary to non-controlling shareholders	-	-	-	-	-	-	-	5,900	5,900
Issuance of shares:									
- exercise of employee share options	15,311	-	30,924	17,841	(12,884)	-	51,192	-	51,192
- vesting of shares under ESGP	8,289	-	-	16,198	(24,487)	-	-	-	-
- shares held under trust	18,735	-	(31,128)	12,393	-	-	-	-	-
Shares buy back	-	(7)	-	-	-	-	(7)	-	(7)
Transition to no-par value regime on 31 January 2017 *	2,395,511	-	-	(2,395,511)	-	-	-	-	-
At 31 March 2017	6,022,651	(10)	(4,016)	-	175,746	3,302,903	9,497,274	1,319,406	10,816,680

* With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM2,395,511,000 was transferred into the share capital account. Pursuant to the subsection 618(3) and 618(4) of the New Act, the Group may exercise its right to use the credit amounts being transferred from the share premium account within 24 months after the commencement of the New Act.

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2018
(The figures have been audited)

	12 months ended 31/03/2018 RM'000	12 months ended 31/03/2017 RM'000
OPERATING ACTIVITIES		
Receipts from customers	**6,185,035**	6,559,858
Payments to contractors, suppliers and employees	**(5,084,468)**	(4,806,887)
Income tax paid	**(226,422)**	(261,807)
Net cash flow from operating activities	**874,145**	1,491,164
INVESTING ACTIVITIES		
Acquisition of subsidiaries	**-**	(361)
Investments in associates	**(51)**	(3,402)
Subscription of Redeemable Unsecured Murabahah Stocks in an associate	**(27,100)**	(16,200)
Additional investments in a joint venture	**-**	(500)
Acquisition of financial assets at fair value through profit or loss	**(787,392)**	(377,317)
Purchases of property, plant and equipment, development land and land use rights, investment properties, concession assets, plantation development expenditure and deferred expenditure	**(1,194,938)**	(612,588)
Disposal of investments, property, plant and equipment, land use rights, investment properties and assets held for sale	**785,964**	595,901
Redemption of preference shares of an associate	**1,020**	1,628
Proceeds from liquidation of an associate	**-**	62
Interest received	**87,450**	80,828
Income from unit trusts	**452**	483
Dividends received from associates, joint venture and other investments	**93,790**	27,922
Net advances to associates and joint ventures	**(125,450)**	(54,975)
Net cash flow used in investing activities	**(1,166,255)**	(358,519)
FINANCING ACTIVITIES		
Issuance of shares by the Company		
- exercise of share options	**23,334**	51,192
Issuance of shares by subsidiaries to non-controlling shareholders	**420**	5,900
Re-purchase of treasury shares	**(2,094)**	(7)
Net proceeds from bank and government borrowings	**241,991**	127,229
Repayments to hire purchase and lease creditors	**(709)**	(152)
Interest paid	**(248,635)**	(249,976)
Dividends paid by subsidiaries to non-controlling shareholders	**(29,844)**	(35,375)
Dividends paid by the Company	**(272,043)**	(360,029)
Net repayments of bonds	**(30,000)**	(40,000)
(Placements)/uplifting of restricted deposits	**(5,125)**	45,326
Acquisition of additional interests in subsidiaries	**(804)**	(44,445)
Net cash flow used in financing activities	**(323,509)**	(500,337)
Net (decrease)/increase in cash and cash equivalents during the financial year	**(615,619)**	632,308
Cash and cash equivalents at beginning of the financial year	**2,077,331**	1,423,749
Foreign exchange differences on opening balances	**(54,711)**	21,274
Cash and cash equivalents at end of the financial year	**1,407,001**	2,077,331
Cash and cash equivalents comprise the following :		
Deposits, cash and bank balances	1,467,653	2,147,777
Bank overdrafts	(32,309)	(44,514)
	1,435,344	2,103,263
Less: restricted deposits with licensed banks	(28,343)	(25,932)
	1,407,001	2,077,331

A NOTES TO THE QUARTERLY RESULTS

A1. Basis of Preparation

The audited interim financial report has been prepared in accordance with *FRS 134: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad*.

The audited interim financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2017 which are available at http://www.ijm.com. The explanatory notes attached to the audited interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2017.

A2. Changes in Accounting Policies

Changes in Accounting Policies during the financial year:

The significant accounting policies applied are consistent with those adopted for the audited financial statements for the year ended 31 March 2017 except for the adoption of the following amendments to published standards issued by MASB that are effective for the Group's financial year beginning on or after 1 April 2017 and applicable to the Group as follows:

- Annual improvements to FRSs 2014 - 2016 Cycle, which include Amendments to FRS 12 "Disclosure of Interests in Other Entities".
- Amendments to FRS 107 "Statement of Cash Flows" – "Disclosure Initiative".
- Amendments to FRS 112 "Income Taxes" – "Recognition of Deferred Tax Assets for Unrealised Losses".

The adoption of the Amendments to FRS 107 has required additional disclosure of changes in liabilities arising from financing activities. Other than that, the adoption of these amendments did not have any impact on the current financial year or any prior financial year and is not likely to affect future financial years.

Explanation of transition to Malaysian Financial Reporting Standards ("MFRS"):

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). 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 that are within the scope of MFRS 141 "Agriculture" and/or IC Interpretation 15 "Agreements for Construction of Real Estate", including their parent, significant investor and venturer (herein called "Transitioning Entities").

Based on the Malaysian Accounting Standards Board ("MASB") announcement on 2 September 2014, the adoption of the amendments to MFRS 116 and MFRS 141 "Agriculture: Bearer Plants" was to be mandatory for annual periods beginning on or after 1 January 2016, whereas the adoption of MFRS 15 "Revenue from Contracts with Customers" was to be mandatory for annual periods beginning on or after 1 January 2017. However on 8 September 2015, MASB confirmed that the effective date of MFRS 15 "Revenue from Contracts with Customers" will be deferred to annual periods beginning on or after 1 January 2018. As a result, IJM Plantations Berhad and IJM Land Berhad, which are within the scope of MFRS 141 "Agriculture" and IC Interpretation 15 "Agreements for Construction of Real Estate" respectively, and the Company as their holding company hereinafter defined as Transitioning Entities are permitted to defer the adoption of the new MFRS Framework to annual periods beginning after 1 January 2018.

A2. Changes in Accounting Policies (continued)

In adopting the new framework, the Group will be applying MFRS 1 "First-time adoption of MFRS". In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. Adjustments required on transition, if any, will be made retrospectively against opening retained earnings in accordance with MFRS 1 "First-time adoption of MFRS".

The impact of initial application of the accounting standards under MFRS framework which is applicable to the Group are discussed below:

(i) MFRS 1 – First time adoption of MFRS

Based on the assessment performed, transitional adjustments required in accordance with MFRS 1 upon transitioning to the MFRS Framework will not have any material impact on the Group's and the Company's financial position, financial performance and cash flows, except for the optional exemption for fair value or previous revaluation as deemed cost. The optional exemption permits the carrying amount of an item of property, plant and equipment to be measured at the date of transition based on deemed cost. Any revaluation reserve arising from the revaluation at the date of transition is transferred to retained profits.

(ii) MFRS 9 – Financial Instruments

MFRS 9 "Financial Instruments" will replace FRS 139 "Financial Instruments: Recognition and Measurement". The Group has reviewed the classification and measurement of its financial assets and liabilities and is expecting the following impact from the adoption of the new standard from 1 April 2018.

Classification and measurement

(a) Unquoted investments currently classified as available-for sale ("AFS") financial assets:

The Group's financial instruments currently classified as AFS will satisfy the conditions for classification as financial assets at fair value through other comprehensive income ("OCI") as these investments are held for long term purposes and is not held for trading. The Group will elect to present these financial instruments as financial assets at fair value through OCI.

(b) The other financial assets held by the Group as below will continue to be measured on the same basis under MFRS 9:

- Quoted investments and derivative financial instruments currently measured as financial assets at fair value through profit or loss ("FVTPL")
- Financial assets currently classified as loans and receivables at amortised cost.

(c) There will be no impact on the Group's accounting for financial liabilities, as the new requirement only affects the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from FRS 139 "Financial Instruments: Recognition and Measurement" and have not been changed.

Accordingly, the Group does not expect the new standard to affect the classification and measurement of these financial assets. However, gains or losses arising from the disposal of financial assets at fair value through OCI will no longer be transferred to profit or loss, but instead be reclassified below the line from the fair value through OCI reserve to retained profits.

A2. Changes in Accounting Policies (continued)

(ii) MFRS 9 – Financial Instruments (continued)

Impairment

The new impairment model requires the recognition of impairment provisions based on the expected credit loss model ("ECL") rather than only incurred credit losses as is the case under FRS 139. It applies to financial assets classified at amortised cost, trade receivables and lease receivables. Based on our group's preliminary assessment undertaken to date, the Group does not expect any significant impact arising from adopting the ECL model under MFRS 9.

MFRS 9 also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

The Group will apply the new rules retrospectively from 1 April 2018, with the practical expedients permitted under the standard and that comparatives for 2018 will not be restated.

(iii) MFRS 15 – Revenue from Contracts with Customers

MFRS 15 "Revenue from contracts with customers" replaces MFRS 118 "Revenue", MFRS 111 "Construction Contracts" and related interpretations.

The group has assessed the effects of applying the new revenue standard on the Group's financial statements and based on the analysis of the recognition of various revenue sources, no significant differences with existing accounting principles were identified except for the following:

Accounting for separate performance obligations arising from the sale of properties

The application of MFRS 15 resulted in the identification of various separate performance obligations which previously had been bundled as sale of property. The performance obligation is separated if the performance obligation is capable of being distinct and if they are distinct within the context of the contract. Among the performance obligations to be identified separately are goods, common facilities, free maintenance fees, legal and stamp duties paid on behalf of house buyers. Revenue will then be allocated to the respective performance obligations and recognised when controls in relation to the performance obligations have been transferred. This could affect the timing of the recognition of revenue going forward.

Determining the transaction price

In determining the transaction price, the Group assesses the estimated transaction price based on the most likely amount, constrained up to the amount that is highly probable that would not reverse in the future.

Timing of recognition for the sales of properties

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Control of the asset may transfer over time or at a point in time. For properties sold in accordance with the Housing Development (Control and Licensing) Act 1966 ("HDA"), control of the asset is transferred over time as the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Therefore revenue from sale of properties under the HDA, without a secured financing arrangement is recognised at a point in time if it is not probable that the Group will collect the consideration of the sale of the property to which it is entitled. Sale of properties that is not governed under the HDA, will be assessed on a contract by contract basis, to establish the Group's enforceable right to payment for performance completed to date.

A2. Changes in Accounting Policies (continued)

(iii) MFRS 15 – Revenue from Contracts with Customers (continued)

Accounting for the obligation to develop affordable housing on involuntary basis

FRSIC Consensus 17 "Development of Affordable Housing" requires upfront recognition of provision for foreseeable losses on the development of affordable housing on involuntary basis when a developer meets certain conditions. However, MFRS 15 requires accounting to be done on a contract basis and hence, the principles used in FRSIC Consensus 17 is no longer relevant.

Accounting for incremental costs of obtaining a contract

The Group's existing accounting policy is to expense off costs in obtaining a contract, which mainly include legal fees and sales commissions, to obtain the contracts. Under MFRS 15, these costs are recognised as an asset as the Group expects to recover those costs.

Classification of land held for property development and property development costs

Upon withdrawal of FRS 201, Property Development Activities, land held for property development and property development costs will be reclassified as inventories as these assets are in the process of production for sale. These inventories will be carried at the lower of cost or net realisable value.

Presentation of contract assets and contract liabilities in the balance sheet

MFRS 15 requires separate presentation of contract assets and contract liabilities in the balance sheet. This will result in some reclassifications as of 1 April 2018, which are currently included in other balance sheet line items. Contract assets identified are mainly the right to consideration for goods or services transferred to the customers. In the case of property development and construction contracts, contract asset is the excess of cumulative revenue earned over cumulative billings to-date and contract liability is the obligation to transfer goods or services to the customers for which the Group or the Company have received the consideration or have billed the customers.

The Group has conducted a preliminary assessment on the different types of existing contracts with customers and the impact is still being assessed. The Group anticipates more extensive disclosures will be required from the year of adoption in view of the requirements of MFRS 15 to provide information about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Group will adopt the standard retrospectively and will restate the comparatives for the financial year ended 31 March 2018.

(iv) Amendments to MFRS 116 – Property, plant and equipment and MFRS 141 – Agriculture: Bearer Plants

This introduces a new category of biological assets i.e. bearer plants. A bearer plant is a living plant that is used in the production and supply of agricultural produce, is expected to bear produce for more than one period, and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Bearer plants are accounted for under MFRS 116 as an item of property, plant and equipment. Agricultural produce growing on bearer plants continue to be measured at fair value less costs to sell under MFRS 141, with fair value changes recognised in profit or loss as the produce grows.

A2. Changes in Accounting Policies (continued)

(iv) Amendments to MFRS 116 – Property, plant and equipment and MFRS 141 – Agriculture: Bearer Plants (continued)

Currently, all new planting expenditure incurred from land clearing, planting, field upkeep and maintenance to the point of maturity is capitalised under plantation development expenditure and is not amortised. Replanting expenditure which represents costs incurred in replanting old planted areas, is charged to profit or loss when incurred. Agricultural produce, which form part of the bearer plants are not recognised and identified separately.

With the adoption of the Amendments to MFRS 116 and MFRS 141, bearer plants are classified as property, plant and equipment. New planting expenditure and replanting expenditure are also accounted for as property, plant and equipment in accordance with MFRS 116 and measured at cost and depreciated on a straight line basis over its useful life from the date of maturity.

The adoption of the amendments to MFRS 116 and MFRS 141 will result in additional depreciation charge on property, plant and equipment and replanting expenditure that is currently charged to profit or loss will be reversed and capitalised under property, plant and equipment. Changes on fair value less costs to sell of the biological assets will be recognised in profit or loss.

The Group will adopt the standard retrospectively and will restate the comparatives for the financial year ended 31 March 2018.

A3. Audit Report

The audit reports for the financial years ended 31 March 2018 and 31 March 2017 were not subject to any modification or qualification.

A4. Seasonality or Cyclicality of Operations

The Group's operations are not materially affected by seasonal or cyclical factors except for the Plantation division which normally sees its cropping pattern of oil palms declining to a trough in the first half of a calendar year before rising to a peak in the second half.

A5. Unusual Significant Items

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual in nature, size or incidence during the financial year-to-date.

A6. Material Changes in Estimates

There were no major changes in estimates that have a material effect in the financial year-to-date.

A7. Debt and Equity Securities

(a) For the financial year ended 31 March 2018, the number of issued and paid-up ordinary shares of the Company was increased from 3,613,386,720 to 3,628,678,020 by way of the issuance of:-

i. 7,166,300 new ordinary shares arising from the vesting of shares under the Employee Share Grant Plan ("ESGP");

ii. 5,325,000 new ordinary shares arising from the exercise of options under the Employee Share Option Scheme ("ESOS"); and

iii. 2,800,000 new ordinary shares arising from the subscription for new shares under the Shares held under trust.

(b) For the financial year ended 31 March 2018, 794,700 ordinary shares were repurchased in the open market at an average price of RM2.63 per share and retained as treasury shares of the Company. There were no cancellations and repayments of debt and equity securities for the financial year-to-date.

A8. Dividend Paid

On 28 December 2017, a single tier first interim dividend of 3 sen per share in respect of the financial year ended 31 March 2018 was paid totalling RM108,847,918.

On 21 July 2017, a single tier second interim dividend of 4.5 sen per share in respect of the financial year ended 31 March 2017 was paid totalling RM163,195,187.

A9. Segmental Information

	GROUP			GROUP		
	3 months ended 31/03/2018	3 months ended 31/03/2017	Change (+/-)	12 months ended 31/03/2018	12 months ended 31/03/2017	Change (+/-)
	RM'000	RM'000	%	RM'000	RM'000	%
External revenue:						
Construction	**556,140**	480,713	15.7%	**2,325,887**	2,151,456	8.1%
Property development	**315,350**	564,176	-44.1%	**1,244,899**	1,437,744	-13.4%
Manufacturing and quarrying	**218,274**	275,411	-20.7%	**1,054,016**	1,133,423	-7.0%
Plantation	**141,317**	192,630	-26.6%	**747,217**	753,711	-0.9%
Infrastructure	**165,968**	156,146	6.3%	**652,099**	588,395	10.8%
Investment and others	**1,581**	242	553.3%	**2,830**	606	367.0%
	1,398,630	1,669,318	-16.2%	**6,026,948**	6,065,335	-0.6%
Inter-segment revenue:						
Construction	**174,151**	141,211	23.3%	**635,980**	502,551	26.6%
Property development	**-**	-		**-**	-	
Manufacturing and quarrying	**3,391**	8,233	-58.8%	**19,150**	27,784	-31.1%
Plantation	**-**	-		**-**	-	
Infrastructure	**-**	-		**-**	-	
Investment and others	**11,858**	39,088	-69.7%	**485,807**	296,479	63.9%
	189,400	188,532	0.5%	**1,140,937**	826,814	38.0%
Profit/(loss) before taxation:						
Construction	**55,260**	59,283	-6.8%	**226,014**	216,715	4.3%
Property development	**23,191**	208,993	-88.9%	**110,559**	303,277	-63.5%
Manufacturing and quarrying	**13,326**	36,688	-63.7%	**82,479**	142,417	-42.1%
Plantation	**1,884**	36,941	-94.9%	**77,304**	168,514	-54.1%
Infrastructure	**(22,233)**	35,522	-162.6%	**120,115**	62,313	92.8%
Investment and others	**6,228**	(2,215)	381.2%	**13,088**	116,774	-88.8%
	77,656	375,212	-79.3%	**629,559**	1,010,010	-37.7%
Earnings before interest, tax, depreciation and amortisation:						
Construction	**75,509**	84,514	-10.7%	**294,452**	281,985	4.4%
Property development	**17,753**	212,894	-91.7%	**136,500**	321,712	-57.6%
Manufacturing and quarrying	**27,094**	50,964	-46.8%	**136,969**	194,110	-29.4%
Plantation	**35,962**	63,817	-43.6%	**203,797**	258,366	-21.1%
Infrastructure	**47,523**	122,195	-61.1%	**350,451**	284,776	23.1%
Investment and others	**6,228**	(2,215)	381.2%	**13,088**	116,774	-88.8%
	210,069	532,169	-60.5%	**1,135,257**	1,457,723	-22.1%
Finance Cost	**(41,898)**	(49,438)		**(185,674)**	(144,670)	
Depreciation and amortisation	**(90,515)**	(107,519)		**(320,024)**	(303,043)	
Profit before taxation	**77,656**	375,212	-79.3%	**629,559**	1,010,010	-37.7%

	As at 31/03/2018 RM'000	As at 31/03/2017 RM'000
Total Assets:		
Construction	**1,714,001**	2,212,505
Property development	**10,277,492**	9,315,317
Manufacturing and quarrying	**1,461,472**	1,450,689
Plantation	**2,603,587**	2,950,654
Infrastructure	**4,633,362**	4,449,784
Investment and others	**150,658**	86,660
Total segment assets	**20,840,572**	20,465,609
Unallocated corporate assets	**454,188**	427,091
Consolidated total assets	**21,294,760**	20,892,700

A10. Carrying Amount of Revalued Property, Plant and Equipment

The valuations of certain property, plant and equipment have been brought forward without amendments from the audited financial statements of FY2017.

A11. Changes in the Composition of the Group

During the financial year-to-date, the following changes in composition were effected:

i. On 10 October 2017, the Company announced the liquidation of a dormant subsidiary, Karachi Expressway J.A. Limited ("KE"), by way of members' voluntary liquidation. KE is a wholly-owned subsidiary of IJM Investment J.A. Limited, which in turn is a wholly-owned subsidiary of the Company via IJM Construction Sdn Bhd. This liquidation has no material impact on the Group for the financial year-to-date.

ii. On 21 November 2017, IJM RE Commercial Sdn Bhd ("IJMREC"), a wholly-owned subsidiary of IJM RE Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, entered into a share sale and purchase agreement with KLIFD Sdn Bhd to acquire 1,000,000 ordinary shares in Fairview Valley Sdn Bhd ("FVSB"), representing a 100% equity interest in FVSB, for a total purchase consideration of RM1,000,000. FVSB is the land owner cum developer of a purpose-built 27-storey office building on a piece of freehold land identified as Plot B10.17-CT within the Tun Razak Exchange and held under H.S.(D) 119946, PT No. 179, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 1.175 acres. This acquisition has no material impact on the Group for the financial year-to-date.

iii. On 12 December 2017, the Company incorporated a wholly-owned subsidiary in India, namely Vijayapura Tollway Private Limited ("VTPL") with an initial share capital of 1,000,000 equity shares of INR10 each. This incorporation has no material impact on the Group for the financial year-to-date.

iv. On 6 March 2018, the Company announced the liquidation of a dormant subsidiary, IJM Gulf Limited ("IJM Gulf"), by way of members' voluntary liquidation. IJM Gulf is a 60%-owned subsidiary of IJM Investment J.A. Limited, which in turn is a wholly-owned subsidiary of the Company via IJM Construction Sdn Bhd. This liquidation has no material impact on the Group for the financial year-to-date.

v. On 23 March 2018, the Company announced the liquidation of a dormant subsidiary, Roadstar (India) Infrastructure Private Limited ("Roadstar"), by way of members' voluntary liquidation. Roadstar is a 70%-owned subsidiary of IJM (India) Infrastructure Limited, a 99.9%-owned subsidiary of IJMII (Mauritius) Limited, which in turn is a wholly-owned subsidiary of the Company via IJM Investments (M) Limited. This liquidation has no material impact on the Group for the financial year-to-date.

vi. On 30 March 2018, the Company announced the members' voluntary winding-up of IJM Overseas Ventures Sdn Bhd ("IJMOV") and DML-MRP Resources (M) Sdn Bhd ("DMLMRP"). IJMOV is a wholly-owned dormant subsidiary of the Company. DMLMRP is a 50% dormant associate of Malaysian Rock Products Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company via Industrial Concrete Products Sdn Bhd. The voluntary winding-up of these companies have no material impact on the Group for the financial year-to-date.

A12. Contingent Liabilities

The changes in contingent liabilities are summarised as follows:-

	RM'000
Balance as at 31 March 2017	6,541
- Decrease during the year	(509)
- Exchange differences	(844)
Balance as at 31 March 2018	5,188

A13. Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2018 are as follows:

	RM'000
Approved and contracted for	1,032,709
Approved but not contracted for	145,331
	1,178,040

Analysed as follows:

- Purchases of property, plant and equipment, land use rights and plantation development expenditure	433,513
- Purchases of development land	17,568
- Concession assets	608,302
- Investment properties	118,657
	1,178,040

A14. Significant events subsequent to the balance sheet date

There was no significant event subsequent to the balance sheet date of the current reporting period.

B Bursa Securities Listing Requirements (Part A of Appendix 9B)

B1. Detailed Analysis of Performance of all Operating Segments

In the current quarter, the Group achieved an operating revenue of RM1,398.63 million, a decrease of 16.2% over the corresponding quarter of the preceding year, following lower revenues contributed by the Group's Property, Manufacturing & Quarrying and Plantations divisions. The Group also recorded a pre-tax profit for the current quarter of RM77.66 million, a decrease of 79.3% over the corresponding quarter of the preceding year, mainly due to lower contributions from the Group's Construction, Property, Manufacturing & Quarrying, Plantations and Infrastructure divisions as well as the non-recurrence of a one-off gain of RM123.1 million that was recognised in the corresponding quarter of the preceding year from the sale of a 32-acre land situated at the Light Waterfront Penang (Phase 2). This was further compounded by a lower net unrealised foreign exchange gain of RM4.8 million in the current quarter as opposed to a gain of RM15.4 million in the corresponding quarter of the preceding year.

For the current year to-date, the Group posted an operating revenue of RM6,026.95 million, a marginal decrease of 0.6% over the preceding year, mainly due to lower revenues contributed by the Group's Property, Manufacturing & Quarrying and Plantations divisions. The Group's pre-tax profit for the current year to-date stood at RM629.56 million, a decrease of 37.7% compared to the preceding year, mainly due to lower contributions from the Group's Property, Manufacturing & Quarrying and Plantation divisions as well as the non-recurrence of one-off gains that were recognised in the preceding year, namely the sale of a 32-acre land situated at the Light Waterfront Penang (Phase 2) which yielded a gain of RM123.1 million and a further RM27.9 million gain arising from the disposal of property, plant and equipment that was contributed by an associate in the preceding year. This was further compounded by a net unrealised foreign exchange loss of RM3.7 million in the current year as opposed to a net unrealised foreign exchange gain of RM30.1 million in the preceding year.

Further analysis of the divisional performances is given below.

Operating Segment	Commentary
Construction	Current quarter and year to-date revenue increased by 15.7% and 8.1% respectively over the previous year's corresponding periods as the construction works at certain major infrastructural projects were progressing as scheduled whilst being supplemented by the progress achieved by projects that were secured in the previous year. The current quarter and year to-date pre-tax profit decreased by 6.8% and increased by 4.3% respectively over the previous year's corresponding periods as contribution from joint ventures and associates were lower in the current quarter compared to the corresponding quarter of the preceding year.
Property development	The Division's revenue decreased by 44.1% for the current quarter and 13.4% for the year to-date compared to the previous year's corresponding periods. The decrease was principally due to the recognition of the sale of a 32-acre land located within the Light Waterfront Penang (Phase 2) in the preceding year's corresponding quarter and year to-date. As a result of the lower revenue recorded and the recognition of unrealised foreign exchange loss of RM6.5 million in the current quarter and RM16.2 million in the current year to-date as opposed to a gain of RM1.0 million in the preceding corresponding quarter and RM1.25 million in the preceding corresponding year to-date, the Division's profit before tax for both the current quarter and current year to-date decreased by 88.9% and 63.5% respectively as compared to the preceding corresponding quarter and year to-date.

B1. Detailed Analysis of Performance of all Operating Segments (continued)

Operating Segment	Commentary
Manufacturing and quarrying	Current quarter revenue and pre-tax profit decreased by 20.7% and 63.7% respectively compared to the previous year's corresponding quarter mainly due to lower sales volumes and margins in the piles and quarrying sectors. The year to-date revenue and pre-tax profit decreased by 7.0% and 42.1% respectively over the previous year as margins were compressed by increased material costs as well as lower sales volumes in the piles, quarrying and ready-mixed concrete sectors.
Plantation	Revenue for the current quarter decreased by 26.6% compared to the previous year's corresponding quarter mainly due to lower CPO sales volume and commodity prices. Revenue for the current year to-date decreased marginally by 0.9% as the impact of lower commodity prices was partly mitigated by the increased CPO sales volume as a result of a larger area attaining maturity in the Indonesian operations. Pre-tax profit for the current quarter and year to-date amounted to RM1.9 million and RM77.3 million respectively compared to RM36.9 million and RM168.5 million respectively in the previous year's corresponding periods. Fluctuations in pre-tax profit was mainly due to the net unrealised foreign exchange losses of RM10.8 million and RM23.7 million on the US Dollar denominated borrowings for the current quarter and year to-date respectively as compared to the net unrealised foreign exchange gains of RM3.9 million and RM1.8 million in the preceding year's corresponding periods respectively. This was further compounded by the lower commodity prices, the higher costs from increased replanting activities, minimum wage and harvesting rates revision in the Malaysian operations and the increased young mature area in the Indonesian operations incurring full plantation maintenance and overheads against a start-up yield, and additional depreciation and overheads associated with the commencement of the second palm oil mill.
Infrastructure	Revenue for the current quarter and year to-date increased by 6.3% and 10.8% respectively compared to the previous year's corresponding periods. This was mainly attributable to the increase in cargo throughput handled by the Group's port concession over the year to-date which expanded by 14% compared to the previous year. The Division's pre-tax profit for the current quarter decreased to RM22.2 million losses from RM35.5 million profits recorded in the corresponding quarter of the previous year. This was mainly due to a decrease in net foreign exchange gain to RM0.5 million in the current quarter compared to a gain of RM19.0 million recorded in the corresponding quarter of the previous year and also attributable to share of losses in certain associates during the current quarter. For the year to-date, the Division's pre-tax profit rose to RM120.1 million in the current year compared to a profit of RM62.3 million in the previous year. This was mainly due to the increase in cargo throughput handled by the Group's port concession, higher contribution from certain associates as well as the net foreign exchange gain of RM1.7 million for the current year compared to a net foreign exchange loss of RM57.6 million in the previous year.

B2. Material Changes in the Quarterly Profit Before Taxation Compared to the Immediate Preceding Quarter

The Group's pre-tax profit decreased by RM94.8 million (or 55.0%) compared to that of the immediate preceding quarter mainly due to lower contributions from the Group's Property, Manufacturing & Quarrying, Plantation and Infrastructure divisions as well as lower contributions from associates and joint ventures.

B3. Prospects for the Coming Financial Year

The Group's Construction division expects continuous growth based on an outstanding order book of RM9.4 billion.

The local property market is expected to remain challenging as the key issues of price affordability, the overhang of high-rise homes, rising cost of living and tight financing will continue to have a dampening effect. Nonetheless, the Property Development division will remain steadfast in its efforts to grow its business in view of the strategic locations of its properties and the brand premium that it has established. With unbilled sales of about RM2.0 billion, the division is expected to maintain a satisfactory performance in the coming financial year.

Despite a challenging operating environment both domestically as well as overseas, the Group's Industry division expects satisfactory performance based on its healthy and strong order book position by leveraging on the heightened construction activities in Malaysia.

The Group's Plantation division expects a challenging year ahead due to the volatility of the commodity prices, foreign exchange rates particularly that of the Indonesian Rupiah against the US Dollar and higher borrowing costs. Notwithstanding the recovery of crop production in the Malaysian operations and the higher crop production from the increased young mature areas in the Indonesian operations, the division continues to be affected by the start-up yields whilst incurring full plantation maintenance costs and overheads.

The Group's toll and port operations will continue to provide recurrent revenue streams as existing concessions mature thereby further enhancing the earnings of the Group's Infrastructure division.

Despite the constantly changing business environment, the Group expects a reasonable performance for the coming financial year based on the above stated factors.

B4. Profit Forecast

Not applicable.

B5. Taxation

The taxation for the group for the financial period under review is as follows:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE PERIOD 12 MONTHS ENDED 31 MARCH	
	2018 RM'000	**2017 RM'000**	**2018 RM'000**	**2017 RM'000**
Malaysian income tax	72,698	148,319	216,711	292,892
Overseas taxation	13,396	(2,262)	13,235	(11,920)
Deferred taxation	(20,844)	(68,087)	8,924	(37,766)
	65,250	77,970	238,870	243,206

The Group's effective tax rate (excluding the results of associates and joint ventures which are equity accounted net of tax) was higher than the statutory tax rate mainly due to certain expenses not being deductible for tax purposes and the non-recognition of deferred tax assets on unused tax losses of certain subsidiaries.

B6. Status of Corporate Proposals

As at 31 March 2018, there were no outstanding corporate proposals.

B7. Group Borrowings

Particulars of the Group's borrowings as at 31 March 2018 are as follows:

	As at 31/03/2018 RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Islamic bonds	40,000
- Term loans	232,856
- Hire purchase and lease payables (included in trade and other payables)	599
- Revolving credits	117,831
- Government support loans (included in trade and other payables)	6,951
Unsecured:-	
- Government support loans (included in trade and other payables)	26,153
- Term loans	1,441,918
- Revolving credits	838,843
- Revolving loans	135,293
- Bankers' acceptances	48,568
- Letters of Credit	16,499
- Bank overdrafts	32,309
	2,937,820
(ii) Long Term Borrowings	
Secured:-	
- Islamic bonds	610,000
- Hire purchase and lease payables	290
- Term loans	460,903
- Government support loans	73,699
Unsecured:-	
- Islamic bonds	1,300,000
- Government support loans	52,016
- Term loans	479,247
	2,976,155

(b) Foreign currency borrowings included in the above are as follows:

	Foreign Currency '000	RM Equivalent '000
US Dollar	469,900	1,816,301
Indian Rupee	4,065,169	241,471
Chinese Renminbi	61,750	37,760
Pound Sterling	26,391	143,064
		2,238,596

B8. Changes in Material Litigation

There was no material litigation since 31 March 2017.

B9. Dividends

The Company has declared a single tier second interim dividend in respect of the financial year ended 31 March 2018 of 3 sen per share to be paid on 20 July 2018 to every member who is entitled to receive the dividend at the close of business on 29 June 2018.

In respect of the financial year ended 31 March 2018, a single tier first interim dividend of 3 sen per share was paid on 28 December 2017.

In respect of the financial year ended 31 March 2017, a single tier first interim dividend of 3 sen per share was paid on 28 December 2016 and a single tier second interim dividend of 4.5 sen per share was paid on 21 July 2017.

B10. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	**Preceding year quarter**	**Current year to date**	**Preceding year to date**
	31/03/2018	**31/03/2017**	**31/03/2018**	**31/03/2017**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Basic Earnings per share:-				
(a) Net profit for the period attributable to owners of the Company	11,188	236,004	349,809	653,773
(b) Weighted average number of ordinary shares ('000)	3,628,640	3,607,772	3,625,719	3,600,319
Basic Earnings per share (sen)	**0.31**	**6.54**	**9.65**	**18.16**
Diluted Earnings per share:-				
(a) Net profit for the period attributable to owners of the Company	11,188	236,004	349,809	653,773
(b) Weighted average number of ordinary shares ('000)	3,628,640	3,607,772	3,625,719	3,600,319
Effect of dilution ('000)				
- Employee share options and share grants	6,669	44,782	11,084	43,993
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	3,635,309	3,652,554	3,636,803	3,644,312
Diluted Earnings per share (sen)	**0.31**	**6.46**	**9.62**	**17.94**

B11. Notes to the Statement of Comprehensive Income

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	31/03/2018 RM'000	31/03/2017 RM'000	31/03/2018 RM'000	31/03/2017 RM'000
Interest income	**34,497**	43,411	**124,649**	116,379
Other income (including investment income)	**(1,338)**	4,109	**3,446**	14,136
Interest expense	**(41,898)**	(49,438)	**(185,674)** *	(144,670) *
Depreciation and amortisation	**(91,826)**	(109,067)	**(325,265)**	(300,470)
Net reversal/(allowance) of impairment of receivables	**123**	(3,394)	**1,155**	(6,430)
Net gains on disposal of investments or properties	**1,593**	8,123	**3,221**	14,699
Net (allowance)/reversal of impairment of assets	**(1,065)**	2,817	**(2,825)**	3,925
Net foreign exchange gains/(losses)	**4,834**	15,422	**(3,721)**	30,117
Net (losses)/gains on derivatives	**(5,657)**	3,420	**(4,886)**	5,237

** Includes RM23.5 mil (2017: RM1.4 mil) of unrealised foreign exchange losses incurred by the Plantation division classified under 'Finance Cost'.*

The above disclosure is prepared in accordance with paragraph 16 of Appendix 9B of the Main Listing Requirements ("MLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of the MLR are not applicable to the Group.

B12 Derivative financial instruments

(a) Crude Palm Oil Pricing Swap Contracts

The Group entered into Crude Palm Oil ("CPO") pricing swap contracts offered by certain reputable banks in Malaysia to mitigate the exposure of fluctuations in the price of CPO.

As at 31 March 2018, the outstanding notional volume and value of the CPO pricing swap contracts and their fair values are as follows:

CPO pricing swap contracts	Notional volume outstanding as at 31/03/2018 (metric tonnes)	Notional value outstanding as at 31/03/2018 (RM'000)	Fair value as at 31/03/2018 (RM'000)
- Less than 1 year	3,750	10,099	1,055
- 1 year to 3 years	-	-	-
- More than 3 years	-	-	-

(b) Structured Cross Currency Swap Contracts

The Group entered into Structured Cross Currency Swap contracts offered by certain reputable banks in Malaysia to swap USD floating rate liability into MYR floating rate liability, thus hedging the USD/MYR currency risk and the interest rate risk.

As at 31 March 2018, the outstanding notional value of the structured cross currency swap contracts and their fair values are as follows:

Structured cross currency swap contracts	Notional value outstanding as at 31/03/2018 (USD'000)	Notional value outstanding as at 31/03/2018 (RM'000)	Fair value as at 31/03/2018 (RM'000)
- Less than 1 year	35,000	136,900	(1,938)
- 1 year to 3 years	-	-	-
- More than 3 years	-	-	-

(c) Forward foreign exchange contracts

The Group entered into Forward Foreign Exchange contracts offered by certain reputable banks in Malaysia to purchase US Dollars at a predetermined exchange rate for settlement at a predetermined time in the future, thus hedging the USD/MYR currency risk.

As at 31 March 2018, the outstanding notional value of the forward foreign exchange contracts and their fair values are as follows:

Forward foreign exchange contracts	Notional value outstanding as at 31/03/2018 (USD'000)	Notional value outstanding as at 31/03/2018 (RM'000)	Fair value as at 31/03/2018 (RM'000)
- Less than 1 year	40,000	158,540	(3,920)
- 1 year to 3 years	-	-	-
- More than 3 years	-	-	-

B13. Fair value changes of derivative financial instruments

The Group recognised a total net fair value loss on derivative financial instruments of RM4.89 million during the current year-to-date. The details are as follows:

Type of derivative	**Current quarter fair value gains/(losses) RM'000**	**Current year to-date fair value gains/(losses) RM'000**	**Basis of fair value measurement**	**Reasons for the gains/(losses)**
Crude palm oil ("CPO") pricing swap contracts	201	972	Price differentials between the average future CPO prices quoted on the Bursa Malaysia Derivative Exchange and the fixed contracted CPO prices.	The average future CPO price quoted on the Bursa Malaysia Derivative Exchange had dropped below the contracted prices.
Structured cross currency swap contracts	(1,938)	(1,938)	Exchange rate differentials between the USD/MYR spot rate and the contracted USD/MYR rate; Interest rate differentials between the USD floating interest rate and the contracted MYR interest rate.	The fair value gain or loss is affected by movements in the USD/MYR spot rates and the USD and MYR interest rates.
Forward foreign exchange contracts	(3,920)	(3,920)	Exchange rate differentials between the market spot rate and the contracted rate between USD and MYR.	The market spot rate for USD against the MYR has dropped below the contracted rate.