Quarterly rpt on consolidated results for the financial period ended 30 Jun 2016

GENTING PLANTATIONS BERHAD

Financial Year End	31 Dec 2016
Quarter	2 Qtr
Quarterly report for the financial period ended	30 Jun 2016
The figures	have not been audited

Attachments

GENP 2Q 2016 Press Release.pdf
141.5 kB

GENP G-ANN 2Q16 FINAL.pdf
208.2 kB

Remarks :
A Press Release by the Company in connection with the 2016 Second Quarterly Report is attached below.

Default Currency | **Other Currency**

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
30 Jun 2016

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30 Jun 2016	30 Jun 2015	30 Jun 2016	30 Jun 2015
		$$'000	$$'000	$$'000	$$'000
1	**Revenue**	309,123	305,730	569,995	630,128
2	**Profit/(loss) before tax**	52,206	55,564	90,698	122,116
3	**Profit/(loss) for the period**	37,542	38,093	65,593	86,042
4	**Profit/(loss) attributable to ordinary equity holders of the parent**	40,831	40,028	67,819	92,683
5	**Basic earnings/(loss) per share (Subunit)**	5.20	5.18	8.62	12.01
6	**Proposed/Declared dividend per share (Subunit)**	2.00	2.50	2.00	2.50
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	**Net assets per**		5.4200		5.3900

share attributable to ordinary equity holders of the parent ($$)

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	GENTING PLANTATIONS BERHAD
Stock Name	GENP
Date Announced	25 Aug 2016
Category	Financial Results
Reference Number	FRA-25082016-00048

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SECOND QUARTERLY REPORT

Quarterly report on consolidated results for the second quarter ended 30 June 2016. The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2016 RM'000	Preceding Year Corresponding Quarter 30/06/2015 RM'000	Current Year To-Date 30/06/2016 RM'000	Preceding year Corresponding Period 30/06/2015 RM'000
Revenue	**309,123**	305,730	**569,995**	630,128
Cost of sales	**(212,016)**	(199,062)	**(382,222)**	(408,330)
Gross profit	**97,107**	106,668	**187,773**	221,798
Other income	**17,714**	15,267	**39,540**	34,325
Other expenses	**(51,507)**	(61,783)	**(114,822)**	(130,243)
Profit from operations	**63,314**	60,152	**112,491**	125,880
Finance cost	**(16,465)**	(8,866)	**(33,334)**	(14,057)
Share of results in joint ventures and associates	**5,357**	4,278	**11,541**	10,293
Profit before taxation	**52,206**	55,564	**90,698**	122,116
Taxation	**(14,664)**	(17,471)	**(25,105)**	(36,074)
Profit for the financial period	**37,542**	38,093	**65,593**	86,042
Profit/(loss) attributable to:				
Equity holders of the Company	**40,831**	40,028	**67,819**	92,683
Non-controlling interests	**(3,289)**	(1,935)	**(2,226)**	(6,641)
	37,542	38,093	**65,593**	86,042
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	**5.20**	5.18	**8.62**	12.01
- Diluted	**5.01**	5.00	**8.31**	11.57

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

GENTING PLANTATIONS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2016 RM'000	Preceding Year Corresponding Quarter 30/06/2015 RM'000	Current Year To-Date 30/06/2016 RM'000	Preceding year Corresponding Period 30/06/2015 RM'000
Profit for the financial period	**37,542**	38,093	**65,593**	86,042
Other comprehensive income/(loss), net of tax:				
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedge	**(121)**	260	**(2,751)**	74
Foreign currency translation differences	**34,958**	(86)	**(34,735)**	(4,650)
	34,837	174	**(37,486)**	(4,576)
Total comprehensive income for the financial period	**72,379**	38,267	**28,107**	81,466
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	**79,487**	42,544	**29,643**	106,841
Non-controlling interests	**(7,108)**	(4,277)	**(1,536)**	(25,375)
	72,379	38,267	**28,107**	81,466

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

GENTING PLANTATIONS

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	AS AT 30/06/2016 RM'000	Audited AS AT 31/12/2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	**1,602,642**	1,561,740
Land held for property development	**181,320**	175,016
Investment properties	**25,821**	26,137
Plantation development	**2,135,831**	2,109,655
Leasehold land use rights	**383,616**	387,063
Intangible assets	**134,628**	145,684
Joint ventures	**69,815**	59,440
Associates	**9,940**	10,774
Available-for-sale financial assets	**128,938**	137,854
Other non-current assets	**15,748**	15,748
Deferred tax assets	**127,488**	134,314
	4,815,787	4,763,425
Current assets		
Property development costs	**61,266**	90,847
Inventories	**142,033**	98,078
Tax recoverable	**26,123**	25,175
Trade and other receivables	**313,225**	334,097
Amounts due from joint ventures, associates and other related companies	**2,929**	3,681
Derivative financial assets	**564**	-
Available-for-sale financial assets	**500,006**	500,006
Cash and cash equivalents	**1,136,287**	1,424,897
	2,182,433	2,476,781
Assets classified as held for sale	**7,676**	5,373
	2,190,109	2,482,154
TOTAL ASSETS	**7,005,896**	7,245,579

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016 *(Continued)*

	AS AT 30/06/2016 RM'000	Audited AS AT 31/12/2015 RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	**395,774**	391,331
Reserves	**3,898,195**	3,827,980
	4,293,969	4,219,311
Non-controlling interests	**282,287**	285,280
Total equity	**4,576,256**	4,504,591
Non-current liabilities		
Borrowings	**1,938,688**	2,232,537
Provision for retirement gratuities	**8,755**	9,511
Derivative financial liability	**4,130**	512
Deferred tax liabilities	**70,222**	65,438
Deferred income	**8,493**	8,493
	2,030,288	2,316,491
Current liabilities		
Trade and other payables	**351,004**	361,272
Amounts due to ultimate holding and other related companies	**2,153**	3,739
Borrowings	**20,158**	56,896
Derivative financial liabilities	**1,047**	1,350
Taxation	**1,248**	1,240
Dividend	**23,742**	-
	399,352	424,497
Total liabilities	**2,429,640**	2,740,988
TOTAL EQUITY AND LIABILITIES	**7,005,896**	7,245,579
NET ASSETS PER SHARE (RM)	**5.42**	5.39

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	<------- Attributable to equity holders of the Company									------->		
	Share Capital RM'000	Share Premium RM'000	Warrants Reserve RM'000	Re-valuation Reserve RM'000	Fair Value Reserve RM'000	Reserve on Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance at 1 January 2016	391,331	255,205	189,720	33,973	40,679	(39,802)	(1,058)	(1,155)	3,350,418	4,219,311	285,280	4,504,591
Total comprehensive income/(loss) for the financial period	-	-	-	-	-	(36,974)	(1,202)	-	67,819	29,643	(1,536)	28,107
Issue of shares upon exercise of warrants	4,443	79,034	(14,611)	-	-	-	-	-	-	68,866	-	68,866
Transfer due to realisation of revaluation reserve	-	-	-	(1,326)	-	-	-	-	1,326	-	-	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(1,457)	(1,457)
Buy-back of shares *(Note I(e)(i))*	-	-	-	-	-	-	-	(109)	-	(109)	-	(109)
Appropriation: - Final single-tier dividend payable for the financial year ended 31 December 2015 (3 sen)	-	-	-	-	-	-	-	-	(23,742)	(23,742)	-	(23,742)
Balance at 30 June 2016	395,774	334,239	175,109	32,647	40,679	(76,776)	(2,260)	(1,264)	3,395,821	4,293,969	282,287	4,576,256

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016 *(Continued)*

	<-- Attributable to equity holders of the Company									-->		
	Share Capital RM'000	Share Premium RM'000	Warrants Reserve RM'000	Re-valuation Reserve RM'000	Fair Value Reserve RM'000	Reserve on Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance at 1 January 2015	385,223	146,555	209,806	41,804	40,679	(151,034)	(1,506)	(957)	3,227,142	3,897,712	255,432	4,153,144
Total comprehensive income/(loss) for the financial period	-	-	-	-	-	14,190	(32)	-	92,683	106,841	(25,375)	81,466
Issue of shares upon exercise of warrants	1,882	33,468	(6,187)	-	-	-	-	-	-	29,163	-	29,163
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	-	-	-	14,000	14,000
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(1,617)	(1,617)
Buy-back of shares	-	-	-	-	-	-	-	(105)	-	(105)	-	(105)
Appropriation:												
- Special single-tier dividend paid for the financial year ended 31 December 2014 (3 sen)	-	-	-	-	-	-	-	-	(23,125)	(23,125)	-	(23,125)
- Final single-tier dividend paid for the financial year ended 31 December 2014 (4 sen)	-	-	-	-	-	-	-	-	(30,963)	(30,963)	-	(30,963)
	-	-	-	-	-	-	-	-	(54,088)	(54,088)	-	(54,088)
Balance at 30 June 2015	387,105	180,023	203,619	41,804	40,679	(136,844)	(1,538)	(1,062)	3,265,737	3,979,523	242,440	4,221,963

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	2016	2015
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**90,698**	122,116
Adjustments for:		
Depreciation and amortisation	**50,311**	54,219
Finance cost	**33,334**	14,057
Interest income	**(22,673)**	(20,497)
Investment income	**(9,775)**	(1,876)
Net unrealised exchange loss	**5,647**	21,977
Share of results in joint ventures and associates	**(11,541)**	(10,293)
Gain on disposal of subsidiaries	**-**	(917)
Gain on sale of land	**-**	(4,053)
Other adjustments	**1,231**	2,186
	46,534	54,803
Operating profit before changes in working capital	**137,232**	176,919
Changes in working capital:		
Net change in current assets	**16,043**	(67,657)
Net change in current liabilities	**26,850**	7,955
	42,893	(59,702)
Cash generated from operations	**180,125**	117,217
Tax paid *(net of tax refund)*	**(30,685)**	(67,561)
Retirement gratuities paid	**-**	(140)
Net cash generated from operating activities	**149,440**	49,516
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(117,959)**	(102,976)
Plantation development	**(99,303)**	(33,250)
Leasehold land use rights	**(8,076)**	(19,301)
Land held for property development	**(9,537)**	(15,336)
Interest received	**22,673**	20,497
Investment income	**9,775**	1,876
Proceeds received from disposal of a subsidiary and sale of land	**-**	17,900
Dividend received from associates	**2,000**	9,493
Other investing activities	**431**	356
Net cash used in investing activities	**(199,996)**	(120,741)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016 *(Continued)*

	2016 RM'000	2015 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	**170,901**	69,028
Proceeds from issue of Sukuk Murabahah	**-**	1,000,000
Proceeds from issue of shares upon exercise of warrants	**68,866**	29,163
Proceeds from issue of shares in a subsidiary to non-controlling interests	**-**	14,000
Repayment of bank borrowings and transaction costs	**(428,353)**	(10,370)
Finance cost paid	**(41,291)**	(15,492)
Dividend paid	**-**	(23,125)
Dividend paid to non-controlling interests	**(1,457)**	(1,617)
Buy-back of shares	**(109)**	(105)
Net cash (used in)/generated from financing activities	**(231,443)**	1,061,482
Net (decrease)/increase in cash and cash equivalents	**(281,999)**	990,257
Cash and cash equivalents at beginning of financial period	**1,424,897**	1,076,579
Effect of currency translation	**(6,611)**	269
Cash and cash equivalents at end of financial period	**1,136,287**	2,067,105

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

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GENTING PLANTATIONS BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
- SECOND QUARTER ENDED 30 JUNE 2016

I) Compliance with Financial Reporting Standard ("FRS") 134: Interim Financial Reporting

a) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with FRS 134 "Interim Financial Reporting" and paragraph 9.22 of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements. The financial information for the current quarter ended 30 June 2016 have been reviewed by the Company's auditor in accordance with the International Standards on Review Engagements ("ISRE") 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2015. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2015 except for the adoption of new FRSs and amendments that are mandatory for the Group for the financial year beginning on 1 January 2016:

- Annual Improvements to FRSs 2012-2014 Cycle.
- Amendments to FRS 10 "Consolidated Financial Statements", FRS 12 "Disclosure of Interests in Other Entities" and FRS 128 "Investments in Associates and Joint Ventures" – Investment Entities: Applying the Consolidation Exception.
- Amendments to FRS 11 "Joint Arrangements" – Accounting for Acquisitions of Interests in Joint Operations.
- Amendments to FRS 101 "Presentation of Financial Statements" – Disclosure Initiative.
- Amendments to FRS 116 "Property, Plant and Equipment" and FRS 138 "Intangible Assets" – Clarification of Acceptable Methods of Depreciation and Amortisation.
- Amendment to FRS 127 "Separate Financial Statements" – Equity Method in Separate Financial Statements.

The adoption of these new FRSs and amendments does not have a material impact on the interim financial information of the Group.

Malaysian Financial Reporting Standards

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 IC Interpretation 15 "Agreements for Construction of Real Estate", including its parent, significant investor and venturer (herein called "Transitioning Entities").

On 8 September 2015, MASB announced that in light of the International Accounting Standards Board's deferral of IFRS 15 "Revenue from Contracts with Customers", the effective date for the Transitioning Entities to apply the MFRS Framework will also be deferred to 1 January 2018.

a) ***Accounting Policies and Methods of Computation*** *(Continued)*

Malaysian Financial Reporting Standards *(Continued)*

The Group falls within the scope definition of Transitioning Entities and accordingly, will adopt the MFRS Framework from the financial year beginning on 1 January 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. Adjustments required on transition, if any, will be made retrospectively against opening retained earnings.

b) ***Seasonal or Cyclical Factors***

Fresh fruit bunches ("FFB") production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions.

c) ***Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow***

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter ended 30 June 2016.

d) ***Material Changes in Estimates***

There were no significant changes made in estimates of amounts reported in previous financial year.

e) ***Changes in Debt and Equity Securities***

(i) During the financial period ended 30 June 2016, the Company had purchased 10,000 ordinary shares of 50 sen each of its issued share capital from the open market for a total consideration of RM109,468. The share buy-back transactions were financed by internally generated funds. The purchased shares are held as treasury shares in accordance with the requirements of Sections 67A of the Companies Act, 1965.

(ii) During the financial period ended 30 June 2016, the paid-up share capital of the Company was increased by RM4.4 million by way of allotment and issuance of 8,885,899 new ordinary shares of 50 sen each arising from the exercise of 8,885,899 warrants.

Other than the above, there were no other issuance, cancellation, repurchase, resale or repayment of debts or equity securities for the financial period ended 30 June 2016.

f) ***Dividend Paid***

No dividend was paid during the quarter ended 30 June 2016.

g) ***Segment Information***

The segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision maker whereby the Group's business is considered from both geographical and industry perspective. The performance of the operating segments is based on a measure of adjusted earning before interest, tax, depreciation and amortisation (EBITDA). This measurement basis excludes the effects of non-recurring items from the reporting segments such as fair value gains and losses, impairment losses and assets written off. Interest income and finance costs are not included in the result for each operating segment.

g) *Segment Information (Continued)*

Segment analysis for the financial period ended 30 June 2016 is set out below:

	Plantation		Property	Biotechnology	Downstream Manufacturing	Others	Total
	Malaysia RM'000	Indonesia RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	350,373	108,801	64,322	2,136	46,499	-	572,131
Inter segment	-	-	-	(2,136)	-	-	(2,136)
Revenue – external	350,373	108,801	64,322	-	46,499	-	569,995
Adjusted EBITDA	117,236	11,769	17,980	(11,075)	(82)	5,120	140,948
Assets written off and others	(649)	(169)	-	(1)	-	-	(819)
	116,587	11,600	17,980	(11,076)	(82)	5,120	140,129
Depreciation and amortisation	(26,415)	(9,905)	(496)	(12,222)	(1,273)	-	(50,311)
Share of results in joint ventures and associates	914	-	10,628	-	-	(1)	11,541
	91,086	1,695	28,112	(23,298)	(1,355)	5,119	101,359
Interest income							22,673
Finance cost							(33,334)
Profit before taxation							90,698
Assets							
Segment assets	1,497,261	2,828,940	408,693	267,404	295,877	502,049	5,800,224
Joint ventures	-	-	69,815	-	-	-	69,815
Associates	9,500	-	556	-	-	(116)	9,940
Assets classified as held for sale	1,765	-	5,911	-	-	-	7,676
	1,508,526	2,828,940	484,975	267,404	295,877	501,933	5,887,655
Interest bearing instruments							964,630
Deferred tax assets							127,488
Tax recoverable							26,123
Total assets							7,005,896
Liabilities							
Segment liabilities	94,711	119,729	142,364	2,407	11,045	29,068	399,324
Interest bearing instruments							1,958,846
Deferred tax liabilities							70,222
Taxation							1,248
Total liabilities							2,429,640

h) *Property, Plant and Equipment*

During the current financial period ended 30 June 2016, acquisitions and disposals of property, plant and equipment by the Group were RM104.0 million and RM1.5 million respectively.

i) *Material Events Subsequent to the End of Financial Year*

Other than the disclosure of the completion of the proposed acquisition of leasehold land in Note 7(a) in Part II of this interim financial report, there were no material events subsequent to the end of the financial period ended 30 June 2016 that have not been reflected in this interim financial report.

j) *Changes in the Composition of the Group*

There were no material changes in the composition of the Group for the current quarter ended 30 June 2016.

k) *Changes in Contingent Liabilities or Contingent Assets*

There were no significant changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2015.

l) *Capital Commitments*

Authorised capital commitments not provided for in the interim financial statements as at 30 June 2016 are as follows:

	Contracted RM'000	**Not Contracted** RM'000	**Total** RM'000
Property, plant and equipment	**130,250**	**628,243**	**758,493**
Leasehold land use rights	**-**	**21,058**	**21,058**
Investment properties	**59,183**	**2,180**	**61,363**
Plantation development	**16,314**	**493,285**	**509,599**
Intellectual property development	**12,332**	**-**	**12,332**
	218,079	**1,144,766**	**1,362,845**

m) *Significant Related Party Transactions*

Significant related party transactions which were entered into on agreed terms and prices for the financial period ended 30 June 2016 are set out below:

	Current Quarter 2Q 2016 RM'000	**Current Financial Year-to-Date** RM'000
i) Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad.	483	958
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd.	682	1,363
iii) Purchase of air-tickets, hotel accommodation and other related services from Genting Malaysia Berhad.	295	306
iv) Provision of information technology and system implementation services and rental of equipment by eGenting Sdn Bhd and Genting Information Knowledge Enterprise Sdn Bhd.	1,040	2,546
v) Provision of management services to Genting Simon Sdn Bhd by Genting Awanpura Sdn Bhd.	130	257
vi) Letting of office space and provision of related services by PT Lestari Properti Investama.	712	1,418

(n) ***Fair Value of Financial Instruments***

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at 30 June 2016, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

RM'000	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Available-for-sale financial assets	-	500,006	128,938	628,944
Derivative financial instruments	-	564	-	564
	-	500,570	128,938	629,508
Financial liabilities				
Derivative financial instruments	-	5,177	-	5,177

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the previous financial year ended 31 December 2015.

The following table presents the changes in financial instruments classified within Level 3:

Available-for-sale financial assets	RM'000
As at 1 January 2016	137,854
Foreign exchange differences	(8,916)
As at 30 June 2016	128,938

There have been no transfers between the levels of the fair value hierarchy during the current financial period ended 30 June 2016.

GENTING
PLANTATIONS

ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – SECOND QUARTER ENDED 30 JUNE 2016

II) Compliance with Appendix 9(B) of Bursa Securities Listing Requirements

1) Performance Analysis

The results of the Group are tabulated below:

RM' Million	CURRENT QUARTER 2016	CURRENT QUARTER 2015	% +/-	PRECEDING QUARTER 1Q 2016	% +/-	FINANCIAL YEAR-TO-DATE 1H 2016	FINANCIAL YEAR-TO-DATE 1H 2015	% +/-
Revenue								
Plantation - Malaysia	**202.1**	200.7	*+1*	**148.3**	*+36*	**350.4**	388.8	*-10*
- Indonesia	**54.8**	49.5	*+11*	**54.0**	*+1*	**108.8**	95.4	*+14*
Property	**29.3**	28.5	*+3*	**35.0**	*-16*	**64.3**	101.2	*-36*
Downstream manufacturing	**22.9**	27.0	*-15*	**23.6**	*-3*	**46.5**	44.7	*+4*
	309.1	305.7	*+1*	**260.9**	*+18*	**570.0**	630.1	*-10*
Profit before tax								
Plantation								
- Malaysia	**68.1**	78.4	*-13*	**49.1**	*+39*	**117.2**	147.0	*-20*
- Indonesia	**(0.5)**	4.9	-	**12.3**	-	**11.8**	15.5	*-24*
Property	**6.6**	4.0	*+65*	**11.4**	*-42*	**18.0**	34.2	*-47*
Biotechnology	**(6.1)**	(8.2)	*-26*	**(5.0)**	*+22*	**(11.1)**	(15.8)	*-30*
Downstream manufacturing	**0.3**	0.9	*-67*	**(0.4)**	-	**(0.1)**	(0.2)	*-50*
Others	**9.9**	(4.4)	-	**(4.8)**	-	**5.1**	(20.4)	-
Adjusted EBITDA	**78.3**	75.6	*+4*	**62.6**	*+25*	**140.9**	160.3	*-12*
Assets written off and others	**(0.4)**	(0.1)	*>100*	**(0.4)**	-	**(0.8)**	(0.7)	*+14*
EBITDA	**77.9**	75.5	*+3*	**62.2**	*+25*	**140.1**	159.6	*-12*
Depreciation and amortisation	**(25.3)**	(26.7)	*-5*	**(25.0)**	*+1*	**(50.3)**	(54.2)	*-7*
Interest income	**10.7**	11.3	*-5*	**12.0**	*-11*	**22.7**	20.5	*+11*
Finance cost	**(16.4)**	(8.9)	*+84*	**(16.9)**	*-3*	**(33.3)**	(14.1)	*>100*
Share of results in joint ventures and associates	**5.3**	4.3	*+23*	**6.2**	*-15*	**11.5**	10.3	*+12*
Profit before tax	**52.2**	55.5	*-6*	**38.5**	*+36*	**90.7**	122.1	*-26*

Revenue improved slightly during the quarter ("2Q 2016") over the corresponding period of the previous year, a net effect of a higher contribution from Plantation segment - underpinned by stronger palm product selling prices which outweighed lower FFB production - mostly offsetting a decline in Downstream Manufacturing segment revenue owing to lower offtake of biodiesel.

For the first half of 2016 ("1H 2016"), the Group's revenue was down 10% year-on-year due to reduced contributions from the Plantation-Malaysia and Property segments, which were affected mainly by lower FFB production and lower land sales respectively. These declines more than negated the impact of stronger palm product selling prices, increased FFB production from Indonesia and higher biodiesel selling prices year-on-year.

The Group's FFB production continued to be curtailed in 2Q 2016 by the lagged effects of adverse weather conditions experienced in the previous years, although this was partly mitigated by the addition of new harvesting areas in Indonesia. Accordingly, the Group's overall FFB production declined 19% and 15% in 2Q 2016 and 1H 2016 respectively.

1) *Performance Analysis (Continued)*

On the flip side, the Group achieved higher palm product selling prices year-on-year in 2Q 2016 and 1H 2016, as CPO prices recovered on the back of a decline in national palm oil inventory levels amid lower production and as overall supply tightness in lauric oils market bolstered PK prices.

	Current Quarter			Year-To-Date		
	2016	**2015**	**Change %**	**2016**	**2015**	**Change %**
Average Selling Price/tonne (RM)						
o Crude Palm Oil	2,588	2,171	*+19*	2,444	2,206	*+11*
o Palm Kernel	2,344	1,538	*+52*	2,108	1,640	*+29*
Production (MT'000)						
o Fresh Fruit Bunches	329	405	*-19*	644	758	*-15*

EBITDA for the Plantation segment, covering both Malaysia and Indonesia operations, declined in 2Q 2016 and 1H 2016 from the corresponding periods of the previous year, mainly on account of lower yields and higher manuring costs, which collectively outweighed the impact of higher palm product selling prices.

The Property segment, on the other hand, posted higher EBITDA during the quarter despite achieving lower sales due to higher profit recognition from the progress of works in ongoing development projects. For 1H 2016, EBITDA was lower year-on-year in the absence of a sizable land sale which was reported for the same period last year. Excluding land sales, EBITDA for 1H 2016 was 25% higher year-on-year due to higher profit recognition from progress of works.

The Biotechnology segment's loss narrowed during the year mainly due to lower research and development spending year-on-year.

Contribution from Downstream Manufacturing was lower year-on-year in 2Q 2016 owing to the aforementioned decline in biodiesel offtake. Nevertheless, for the cumulative six-month period, losses were comparable amid steady sales quantities.

Changes in the "Others" category mainly reflect the impact of changes in the foreign currency translation position arising from foreign exchange movements.

2) *Material Changes in Profit before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter*

Pre-tax profit improved quarter-on-quarter, largely driven by the Plantation-Malaysia segment amid stronger palm product selling prices and higher FFB production, coupled with the foreign currency translation gain compared with a loss in the immediate preceding quarter.

Nevertheless, these improvements were partly moderated by the lower contribution from Plantation-Indonesia, where the effects of lower FFB production and higher manuring cost outstripped the impact of stronger palm product selling prices, and lower Property contribution as 1Q 2016 had included profit recognised from the completion of projects.

	2Q 2016	**1Q 2016**	**Change %**
Average Selling Price/tonne (RM)			
o Crude Palm Oil	2,588	2,273	*+14*
o Palm Kernel	2,344	1,866	*+26*
Production (MT'000)			
o Fresh Fruit Bunches	329	315	*+4*

3) *Prospects*

The Group's performance for the rest of 2016 will be fundamentally contingent on the movements in palm oil price dynamics weighed against the prospects of a recovery in FFB production from the lagged effects of the adverse weather of previous years.

Key factors anticipated to continue influencing the direction of palm oil prices include changes in weather conditions, demand for vegetable oils for edible and non-edible purposes, price trends of substitute feedstock commodities, currency movements and global economic prospects.

Notwithstanding that the ongoing addition of new harvesting areas and the progress of existing mature areas into higher yielding brackets in Indonesia are positive factors for production, the Group's overall output for 2016 will depend on the extent to which any prospective recovery in crop yields in the latter months of the year will compensate for the shortfall experienced earlier in the year.

Nevertheless, at the operational level, the Group remains committed to the pursuit of performance improvements across all relevant aspects, including yield and cost management.

Meanwhile, on the property front, the Group will continue to monitor and assess opportunities within the prevailing sector landscape to ensure new property offerings are strategically-timed and well-aligned to market requirements.

For the Downstream Manufacturing segment, efforts towards completing the development of Genting Integrated Biorefinery Complex are ongoing with one of its key components, the 600,000mt palm oil refining plant, expected to be commissioned in 4Q 2016. Concurrently, the Group will continue with the production of biodiesel to cater to Malaysia's mandatory B7 biodiesel programme.

4) *Variance of Actual Profit from Forecast Profit*

The Group did not issue any profit forecast or profit guarantee for the financial period.

5) *Taxation*

Tax charge for the current quarter and financial year-to-date are set out below:

	Current Quarter 2Q 2016 RM'000	**Current Financial Year-To-Date** RM'000
Current taxation:		
- Malaysian income tax charge	**15,536**	**29,955**
- Deferred tax reversal	**(874)**	**(4,640)**
	14,662	**25,315**
Prior year's taxation:		
- Income tax under/(over) provided	**2**	**(210)**
	14,664	**25,105**

The effective tax rate for the current quarter and financial year-to-date were higher than the statutory tax rate mainly due to expenses not deductible for tax purposes and tax losses of certain subsidiaries where deferred tax assets have not been recognised.

6) *Profit before taxation*

Profit before taxation has been determined after inclusion of the following charges and credits:

	Current Quarter 2Q 2016 RM'000	Current Financial Year-To-Date RM'000
Charges:		
Finance cost	**16,465**	**33,334**
Depreciation and amortisation	**25,319**	**50,311**
Loss on disposal of property, plant and equipment	**220**	**215**
Write-down of inventories	**1,302**	**1,302**
Net foreign exchange (gain)/loss	**(4,909)**	**3,823**
	=======	=======
Credits:		
Interest income	**10,680**	**22,673**
Investment income	**4,759**	**9,775**
	=======	=======

Other than the above, there were no provision for and write off of receivables, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets and gain or loss on derivatives for the current quarter ended 30 June 2016.

7) *Status of Corporate Proposals Announced*

(a) Proposed acquisition of two parcels of adjoining leasehold land

On 15 October 2015, the Company announced that its wholly owned subsidiary, Esprit Icon Sdn Bhd had on 15 October 2015 entered into a conditional sale and purchase agreement with Genting Highlands Tours and Promotion Sdn Bhd ("GHTP"), a wholly owned subsidiary of Genting Malaysia Berhad to acquire two parcels of adjoining leasehold land belonging to GHTP measuring an aggregate land area of 380,902 square feet with buildings erected there on for a total cash consideration of RM65.8 million ("Proposed Acquisition").

The Proposed Acquisition was completed on 12 July 2016.

(b) Proposed acquisition of 100% equity interest in Cahaya Agro Abadi Pte Ltd ("CAA") and Palm Capital Investment Pte Ltd ("PCI") from Green Palm Capital Corp ("GPCC")

On 27 June 2016, the Company announced that PalmIndo Holdings Pte Ltd, a 73.685% indirect subsidiary of the Company, had on 27 June 2016 entered into the following agreements with GPCC, a related party:

i) a conditional sale and purchase agreement for the purpose of acquiring 1 ordinary share of SGD1.00 in CAA representing 100% equity interest in CAA from GPCC for a cash consideration of USD34,550,000 ("CAA SPA"). CAA holds, through its 95.0% owned subsidiary in Indonesia, PT Agro Abadi Cemerlang the rights to develop approximately 8,095 hectares of land in Kapubaten Sanggau, Provinsi Kalimantan Barat, Republic of Indonesia into an oil palm plantation;

ii) a conditional sale and purchase agreement for the purpose of acquiring 1 ordinary share of SGD1.00 in PCI representing 100% equity interest in PCI from GPCC for a cash consideration of USD7,600,000 ("PCI SPA"). PCI holds, through its 95.0% owned subsidiary in Indonesia, PT Palma Agro Lestari Jaya the rights to develop approximately 13,900 hectares of land in Kabupaten Sintang, Provinsi Kalimantan Barat, Republic of Indonesia into an oil palm plantation.

The CAA SPA and PCI SPA are still conditional as at 18 August 2016.

8) *Group Borrowings and Debt Securities*

The details of the Group's borrowings and debts securities as at 30 June 2016 are set out below:

	Secured RM'000	Unsecured RM'000	Total RM'000
Borrowings			
Non-current			
Sukuk Murabahah denominated in Ringgit Malaysia	-	997,234	997,234
Term loans denominated in:			
United States Dollars (USD221,242,626)	891,939	-	891,939
Ringgit Malaysia	49,515	-	49,515
	941,454	997,234	1,938,688
Current			
Term loans denominated in United States Dollars (USD5,000,000)	20,158	-	20,158
	961,612	997,234	1,958,846

9) *Outstanding Derivatives*

As at 30 June 2016, the maturity analysis of the outstanding derivatives of the Group are summarised as follows:

Types of Derivative	Contract/Notional Value RM'000	Fair Value Assets/(Liabilities) RM'000
Interest Rate Swaps		
USD	282,205	
- Less than 1 year		(1,047)
- 1 year to 3 years		(4,130)
Forward Foreign Currency Exchange		
USD	40,315	
- Less than 1 year		564

There is no significant change for the financial derivatives in respect of the following since the previous financial year ended 31 December 2015:

(a) the credit risk, market risk and liquidity risk associated with those financial derivatives;

(b) the cash requirements of the financial derivatives; and

(c) the policy in place for mitigating or controlling the risks associated with those financial derivatives.

10) *Fair Value Changes of Financial Liabilities*

As at 30 June 2016, the Group does not have any financial liabilities measured at fair value through profit or loss.

11) Changes in Material Litigation

There are no pending material litigations as at 18 August 2016.

12) Dividend Proposed or Declared

a) i) An interim single-tier dividend of 2.0 sen per ordinary share of 50 sen each in respect of the financial year ending 31 December 2016 has been declared by the Directors.

ii) The interim single-tier dividend declared and paid for the previous year's corresponding period was 2.5 sen per ordinary share of 50 sen each.

iii) The interim single-tier dividend shall be payable on 20 October 2016.

iv) Entitlement to the interim single-tier dividend:-

A Depositor shall qualify for entitlement to the interim single-tier dividend only in respect of:

- Shares transferred into the Depositor's Securities Account before 4.00 p.m on 30 September 2016 in respect of ordinary transfer; and
- Shares bought on the Bursa Securities on a cum entitlement basis according to the Main Market Listing Requirements of Bursa Securities.

b) The total single-tier dividend payable for the financial year ending 31 December 2016 is 2.0 sen per ordinary share of 50 sen each.

13) Earnings per Share

	Current Quarter 2Q 2016	**Current Financial Year-To-Date**
a) Basic earnings per share		
Profit for the financial period attributable to equity holders of the Company *(RM'000)*	40,831	67,819
Weighted average number of ordinary shares in issue *('000)*	785,627	786,653
Basic earnings per share *(sen)*	5.20	8.62
b) Diluted earnings per share		
Profit for the financial period attributable to equity holders of the Company *(RM'000)*	40,831	67,819
Adjusted weighted average number of ordinary shares in issue		
Weighted average number of ordinary shares in issue *('000)*	785,627	786,653
Adjustment for potential conversion of warrants *('000)*	28,948	29,556
	814,575	816,209
Diluted earnings per share *(sen)*	5.01	8.31

14) *Realised and Unrealised Profits/Losses*

The breakdown of the retained profits of the Group as at 30 June 2016 and 31 December 2015, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	As at 30/06/2016 RM'000	As at 31/12/2015 RM'000
Total retained profits of Genting Plantations Berhad and its subsidiaries:		
- Realised	4,759,902	4,823,969
- Unrealised	51,620	(43,959)
	4,811,522	4,780,010
Total share of retained profits/(accumulated losses) from associates:		
- Realised	8,563	9,301
- Unrealised	(746)	(650)
Total share of retained profits/(accumulated losses) from joint ventures:		
- Realised	59,714	49,339
	4,879,053	4,838,000
Less: Consolidation adjustments	(1,483,232)	(1,487,582)
Total Group retained profits as per consolidated accounts	3,395,821	3,350,418

The determination of realised and unrealised profits is compiled based on Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

15) *Disclosure of Audit Report Qualification and Status of Matters Raised*

The audit report of the Group's annual financial statements for the financial year ended 31 December 2015 did not contain any qualification.

16) *Authorisation of Interim Financial Statements*

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 25 August 2016.

GENTING
PLANTATIONS

PRESS RELEASE **For Immediate Release**

GENTING PLANTATIONS REPORTS FIRST HALF 2016 FINANCIAL RESULTS

KUALA LUMPUR, Aug 25 – Genting Plantations Berhad today reported its financial results for the first half ended 30 June 2016, with pre-tax profit at RM90.7 million, down 26% from the corresponding period of the previous year.

Revenue was 10% lower year-on-year at RM570.0 million due to reduced contributions from the Plantation-Malaysia and Property segments, which were affected mainly by lower FFB production and lower land sales respectively. These declines more than negated the impact of stronger palm product selling prices, increased FFB production from Indonesia and higher biodiesel selling prices year-on-year.

Earnings per share in 1H 2016 was at 8.62 sen, down 28% from the same period in 2015.

The Group's FFB production was curtailed by the lagged effects of adverse weather conditions experienced in the previous years, although this was partly mitigated by the addition of new harvesting areas in Indonesia. Accordingly, overall FFB production declined 15% year-on-year in 1H 2016.

On the flip side, the Group achieved higher palm product selling prices year-on-year in 1H 2016, as crude palm oil prices recovered on the back of a decline in national palm oil inventory levels amid lower production and as overall supply tightness in lauric oils market bolstered palm kernel prices. Average selling prices of CPO and PK were at RM2,444/mt and RM2,108/mt in the first six months, up 11% and 29% respectively.

EBITDA for the Plantation segment, covering both Malaysia and Indonesia operations, declined in 1H 2016 from the corresponding period of the previous year, mainly on account of lower yields and higher manuring costs, which collectively outweighed the impact of higher palm product selling prices.

For the Property segment, EBITDA was lower year-on-year in the absence of a sizable land sale which was reported for the same period last year. Excluding land sales, EBITDA for 1H 2016 was 25% higher year-on-year due to higher profit recognition from progress of works as mentioned earlier.

The Biotechnology segment's loss narrowed during the year mainly due to lower research and development spending.

The Downstream Manufacturing segment's losses were comparable year-on-year amid steady sales quantities.

Changes in the "Others" category mainly reflect the impact of changes in the foreign currency translation position arising from foreign exchange movements.

The Group's performance for the rest of 2016 will be fundamentally contingent on the movements in palm oil price dynamics weighed against the prospects of a recovery in FFB production from the lagged effects of the adverse weather of previous years.

Key factors anticipated to continue influencing the direction of palm oil prices include changes in weather conditions, demand for vegetable oils for edible and non-edible purposes, price trends of substitute feedstock commodities, currency movements and global economic prospects.

Notwithstanding that the ongoing addition of new harvesting areas and the progress of existing mature areas into higher yielding brackets in Indonesia are positive factors for production, the Group's overall output for 2016 will depend on the extent to which any prospective recovery in crop yields in the latter months of the year will compensate for the shortfall experienced earlier in the year.

Nevertheless, at the operational level, the Group remains committed to the pursuit of performance improvements across all relevant aspects, including yield and cost management.

Meanwhile, on the property front, the Group will continue to monitor and assess opportunities within the prevailing sector landscape to ensure new property offerings are strategically-timed and well-aligned to market requirements.

For the Downstream Manufacturing segment, efforts towards completing the development of Genting Integrated Biorefinery Complex are ongoing with one of its key components, the 600,000mt palm oil refining plant, expected to be commissioned in 4Q 2016. Concurrently, the Group will continue with the production of biodiesel to cater to Malaysia's mandatory B7 biodiesel programme.

The Board of Directors declared an interim single-tier dividend of 2.0 sen per ordinary share of 50 sen each. In comparison, the interim single-tier dividend declared for the corresponding period of 2015 amounted to 2.5 sen per ordinary share.

A summary of the quarterly results is shown in Table 1.

TABLE 1:

RM' Million	2Q 2016	2Q 2015	%	1H 2016	1H 2015	%
Revenue						
Plantation - Malaysia	202.1	200.7	+1	350.4	388.8	-10
Plantation – Indonesia	54.8	49.5	+11	108.8	95.4	+14
Property	29.3	28.5	+3	64.3	101.2	-36
Downstream Manufacturing	22.9	27.0	-15	46.5	44.7	+4
	309.1	305.7	+1	570.0	630.1	-10
Adjusted EBITDA						
Plantation						
-Malaysia	68.1	78.4	-13	117.2	147.0	-20
-Indonesia	(0.5)	4.9	-	11.8	15.5	-24
Property	6.6	4.0	+65	18.0	34.2	-47
Biotechnology	(6.1)	(8.2)	-26	(11.1)	(15.8)	-30
Downstream Manufacturing	0.3	0.9	-67	(0.1)	(0.2)	-50
Others	9.9	(4.4)	-	5.1	(20.4)	-
	78.3	75.6	+4	140.9	160.3	-12
Profit before tax	52.2	55.5	-6	90.7	122.1	-26
Profit for the financial period	37.5	38.1	-2	65.6	86.0	-24
Basic EPS (sen)	5.20	5.18	-	8.62	12.01	-28

About Genting Plantations Berhad

Genting Plantations, a subsidiary of Genting Berhad, commenced operations in 1980. It has a landbank of about 65,500 hectares in Malaysia and about 172,900 hectares in Indonesia held through joint ventures. It owns seven oil mills in Malaysia and three in Indonesia, with a total milling capacity of 490 tonnes per hour. In addition, it has ventured into the manufacturing of downstream products.

Genting Plantations has also diversified into property development to unlock the value of its strategically-located landbank and has invested significantly in biotechnology in a major effort to apply genomics to increase crop productivity and sustainability

For more information, visit www.gentingplantations.com

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