

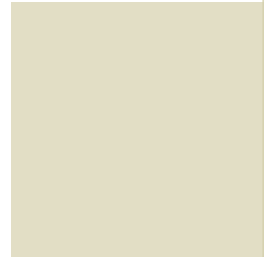
PPB GROUP BERHAD INVESTOR HANDBOOK 2004

introduction	4
PPB Group Berhad at a glance	5
corporate history	6-7
mission statement	8
corporate objectives	9
corporate structure	10-11
board of directors	12-14
group management team	15-17
activities	18-19
amusement centre operations	20-21
animal feed milling	22-23
chemicals manufacturing	24-25
cinema operations	26-27
commodity trading	28-29
consumer products distribution	30-31
contract manufacturing	32-33
edible oils refining	34-35
engineering services	36-37
flour milling	38-39
glove manufacturing	40-41
livestock farming	42-43
oil palm plantations	44-45
packaging	46-47
property development	48-49
sugar refining	50-51
utilities and environmental engineering	52-53
group financial highlights	54-55
5-year group statistics	56-57
financial performance	58-59
movements in share capital	60-61
dividend record	62
investor relations schedule for 2005	63





CONTENTS



INTRODUCTION



This is the fourth publication of our Investor Handbook which we started in year 2002 as part of our overall Investor Relations programme. This Handbook was conceptualised to enable our stakeholders to keep abreast of our Group's activities and growth.

It is my belief that we have achieved this objective through encouraging feedback from our shareholders and the investment community. In this fourth edition, we have once again put together an information package that will assist our stakeholders in making their strategic investing decisions.

In our continued commitment to enhance Investor Relations in the Group, we would be open to any suggestions you may have which would assist us in further developing this relationship.

DATUK OH SIEW NAM - EXECUTIVE CHAIRMAN

PPB GROUP BERHAD AT A GLANCE

PPB Group Berhad was incorporated in Malaysia in November 1968 and was subsequently listed on the then Stock Exchange of Kuala Lumpur and Singapore with an issued and paid-up capital of RM15 million in May 1972.

The Company has grown from its initial business of cane cultivation and sugar refining to become a major conglomerate engaged in diverse businesses. The Group's operations now include sugar refining; grain trading, flour and feed milling; edible oils processing; oil palm cultivation; environmental engineering, waste management and utilities; film exhibition and distribution; property ownership and development; and commodity trading.

PPB Group has positioned itself to be a market leader in all its core businesses. Its core businesses are operated by the following :-

- **MALAYAN SUGAR MANUFACTURING COMPANY BERHAD**, operator of the region's largest sugar refinery in Prai, supplies about 50% of the local market's sugar requirements.
- **FFM GROUP**, a major producer of flour and animal feed, owns a total of four flour mills and five feed mills located throughout the country. The FFM Group supplies more than 40% of the country's flour requirements. Overseas, the Group has production facilities in Vietnam and Thailand.
- **PGEO GROUP** which processes close to 4.0 million mt of edible oils per year is one of the largest palm oil refiners in the country with six refineries in Peninsular and East Malaysia.
- **PPB OIL PALMS GROUP** is one of the more efficient producers of crude palm oil in the country. It has a total land bank of 210,788 hectares in East Malaysia and Indonesia of which 79,111 hectares have been planted and owns eight crude palm oil mills.
- **CHEMQUEST GROUP** is engaged principally in environmental engineering and waste management and has successfully commissioned 20 water projects and 50 wastewater treatment plants for various types of industries throughout Malaysia.

Being one of the most diversified conglomerates in Asia, PPB's success over the years has shown that its strategic acquisitions and joint ventures were in the right direction.

Today, PPB ranks among the top companies listed on the Bursa Malaysia Securities Berhad by turnover and has assets. Its total assets exceed RM6.1 billion and turnover for the last financial year ended 31 December 2004 amounted to RM11.0 billion. The Group currently employs more than 15,000 employees in its domestic and overseas operations.

CORPORATE HISTORY

PPB's involvement in the sugar industry began as early as 1968 with the cultivation and milling of sugar cane in Chuping, Perlis.

In 1976, PPB acquired Malayan Sugar Manufacturing Company Berhad (MSM) and through MSM, PPB became indirectly involved in the hotel industry, polybags manufacturing and bulking operations.

Between 1982 and 1983, PPB ventured into the property sector with the acquisition of PPB Hartabina Sdn Bhd (formerly known as Tai Yan Realty Sdn Bhd) and 34% interest in Shaw Brothers (M) Sdn Bhd.

PPB's investment in oil palm cultivation began in 1986 through the establishment of Saremas Sdn Bhd to develop an oil palm plantation in Sarawak and in the following year, PPB acquired a 60% equity interest in Sapi Plantations Sdn Bhd to operate an oil palm project in Sabah. In 1995, PPB expanded its oil palm operations to Indonesia with a 70% equity interest in PT Tidar Sungkai Sawit (PTSS). In 1997, PPB's oil palm plantations in East Malaysia were merged under PPB Oil Palms Bhd (PPBOP) which was subsequently listed on the KLSE on 5 August 1997.

In 1987, PPB made a takeover offer for FFM Berhad (formerly known as Federal Flour Mills Berhad), enabling PPB to further diversify into flour and animal feed milling, edible oils processing and commodity trading.

In the same year, PPB finalized an agreement with Golden Harvest (International) Ltd of Hong Kong to establish Golden Communications (M) Sdn Bhd (now known as Golden Screen Cinemas Sdn Bhd). The cinema operations further expanded in 1990 when PPB acquired Borneo Film Organization (M) Sdn Bhd (now known as PPB Leisure Holdings Sdn Bhd).

In a concerted effort to diversify the Group's revenue base and to reduce its dependency on food operations, PPB in 1993 subscribed for 40% equity interest in Chemquest Sdn Bhd (Chemquest) which is involved in environmental engineering, utilities, waste management, trading of chemicals and contract manufacturing. PPB's stake in Chemquest increased to 55% in 1998.

In 2000, PPB undertook a series of corporate restructuring exercises to streamline its operations which included the transfer of PTSS to PPBOP; injection of PT Healthcare Glovindo and Minsec Engineering Services to Chemquest; and the establishment of PGEO Group to consolidate the edible oils refining operations held under FFM and PPBOP. To better reflect its activities, the name of the Company was changed from "Perlis Plantations Berhad" to "PPB Group Berhad".

In 2004, PPB successfully privatized FFM Berhad under a members' scheme of arrangement under Section 176 of the Companies Act, 1965, making it a wholly-owned subsidiary from a 54.23% subsidiary.

As PPB continues to expand in its core businesses and improves on efficiency and productivity, it is ready to capitalize on any new investment opportunities especially in businesses which are strategic to its current operations to enable the Group to achieve further success.

MISSION STATEMENT

Striving continually to strengthen our position as a market leader in our core businesses and to expand into other related activities to increase shareholders' value.

CREATE WEALTH FOR SHAREHOLDERS

It has always been PPB's objective to reward its shareholders through attractive dividends or capital issues.

GOOD CORPORATE GOVERNANCE

PPB is committed to observe the highest standard of transparency, accountability and integrity in all its business practices and corporate performance.

FOCUS ON CORE BUSINESS

PPB is focused on expanding its core businesses which include sugar refining; grains trading, flour and animal feed milling; edible oils refining; oil palm plantations and environmental engineering, utilities and waste management.

MARKET LEADER

PPB is positioned as the market leader in its core businesses and intends to further strengthen this lead. PPB is a major producer of sugar, flour and edible oils.

SUSTAINABLE GROWTH

PPB remains earnings-driven and is committed to assuring sustainable growth in the NTA and earnings of the Group.

UTILIZATION OF SYNERGIES

The strong and committed management team from the various operations assures the integration of group activities to maximize synergy.

EXPANSION TO OVERSEAS MARKET

PPB is expanding its activities to China and other Asean countries to provide earnings growth.

RESPONSIBLE CORPORATE CITIZEN

Our community relations program focuses on improving the quality of life of others through financial grants program, corporate sponsorships and in-kind donations.

COMMITTED TO IMPROVING EFFICIENCY & PRODUCTIVITY

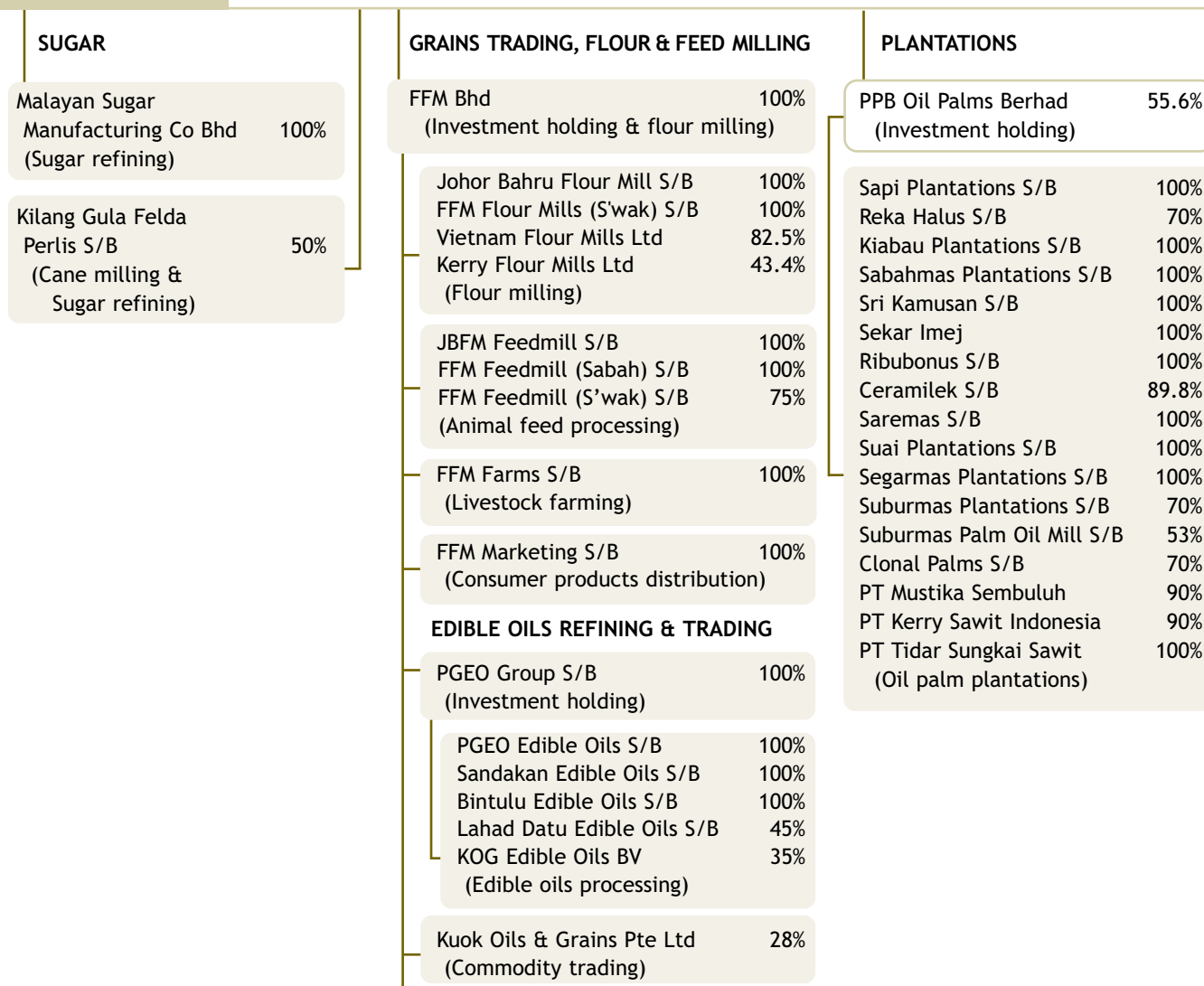
PPB is committed to further develop its standards in design, production, distribution and marketing in order to meet market requirements.

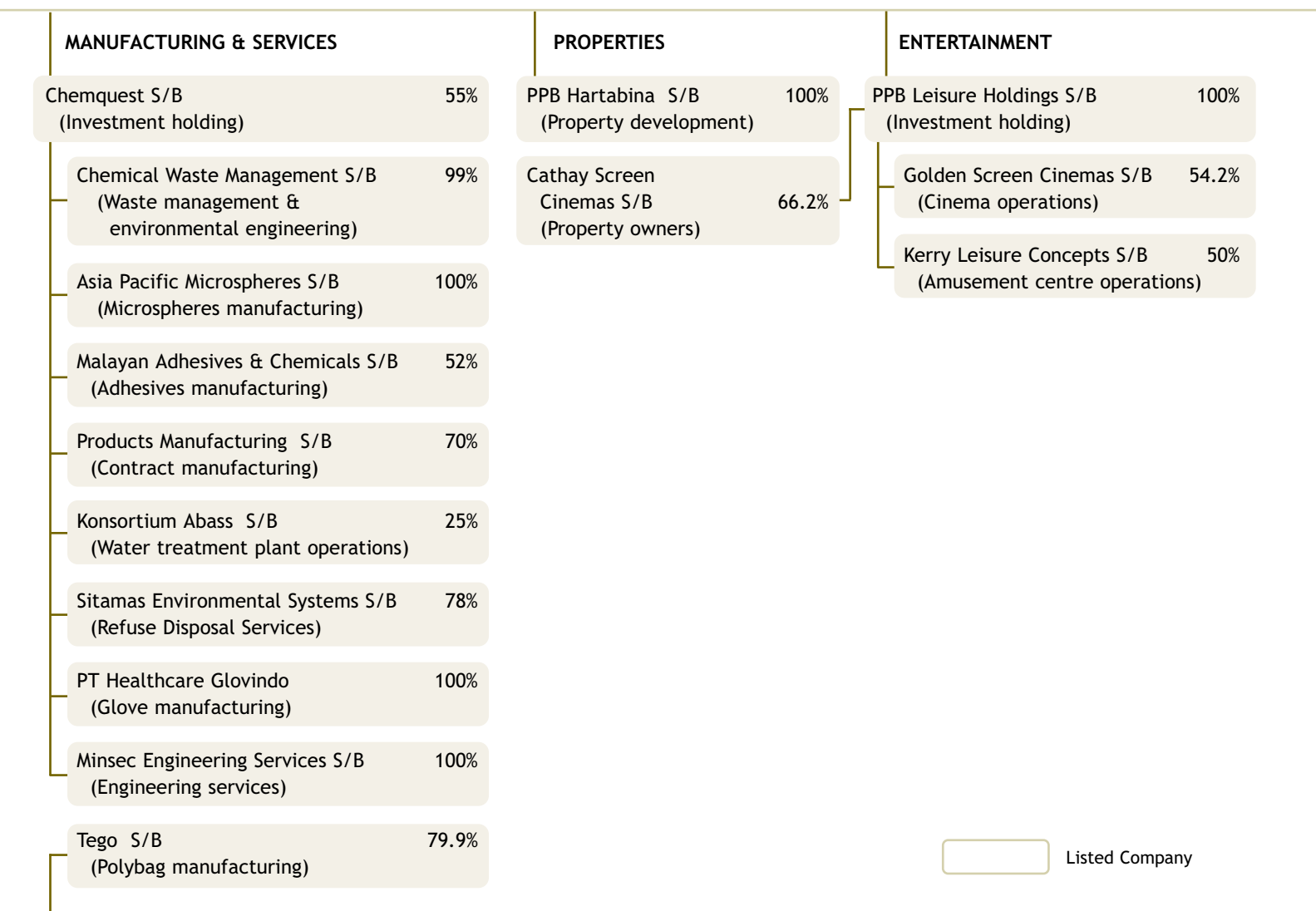
SECURING FUTURE GROWTH

PPB will continue to seek and capitalize on investment opportunities as well as explore new market segments both domestically and regionally for business and revenue growth in the years ahead.

CORPORATE STRUCTURE

as at 15 March 2005





BOARD OF DIRECTORS

DATUK OH SIEW NAM

Executive Chairman • Member of Remuneration Committee

DATE OF APPOINTMENT

Director - 2 March 1988 • Executive Chairman - 1 July 2004

AGE

66

QUALIFICATIONS AND EXPERIENCE

• Bachelor of Engineering (Honours) in Electrical Engineering from the University of Canterbury, New Zealand • Assistant Controller of Telekom Malaysia for 5 years before joining FFM Berhad Group in 1968 • Managing Director of FFM Berhad from 1982 to 2002 and appointed as Executive Chairman in 2002 • Board member of Bank Negara Malaysia since 1989 • Served as a member of the Capital Issues Committee and the National Economic Consultative Council II (MAPEN II)

OTHER DIRECTORSHIPS

• FFM Berhad (Executive Chairman) • Kuok Foundation Berhad • Penerbangan Malaysia Berhad • PPB Oil Palms Berhad (Chairman)

DATO' LIM CHEE WAH

Deputy Chairman

DATE OF APPOINTMENT

Director - 2 March 1988 • Deputy Chairman - 1 July 2004

AGE

65

QUALIFICATIONS AND EXPERIENCE

• Bachelor of Arts (Honours) in Economics from the University of Malaya • Joined Malayan Sugar Manufacturing Company Berhad in 1965 and held several senior managerial positions before being appointed as director in 1989 and Executive Chairman in 2000

OTHER DIRECTORSHIPS

• Jerneh Asia Berhad (Chairman) • Kuok Foundation Berhad • Malayan Sugar Manufacturing Co. Bhd (Executive Chairman) • Malaysian Bulk Carriers Berhad • Tradewinds (M) Berhad • Transmile Group Berhad

TAN YEW JIN

Executive Director • Chairman of Risk Advisory Committee

DATE OF APPOINTMENT

Director - 12 May 2001 • Executive Director - 25 August 2004

AGE

64

**QUALIFICATIONS
AND EXPERIENCE**

• Member of Malaysian Institute of Accountants • Member of Malaysian Institute of Certified Public Accountants • Member of Certified Public Accountants, Australia • Fellow of the Institute of Certified Public Accountants, Singapore • Was actively involved in FFM Group operations and was Deputy Managing Director of FFM Berhad from 1998 to 2000 • Executive Chairman of PPB Oil Palms Berhad from 2000 to 2004

OTHER DIRECTORSHIPS

• Jerneh Asia Berhad • Tradewinds (M) Berhad

DATO SRI LIANG KIM BANG

Chairman of Audit and Remuneration Committees • Member of Nomination Committee

DATE OF APPOINTMENT

4 January 1995

AGE

68

**QUALIFICATIONS
AND EXPERIENCE**

• Bachelor of Arts (Honours) and Bachelor of Arts from the University of Malaya • Post Graduate Course in Public Administration at Cambridge University, England • Former Sarawak State Financial Secretary

OTHER DIRECTORSHIPS

• Cahya Mata Sarawak Berhad • CMS Steel Berhad (Chairman) • CMS Trust Management Berhad • Malaysia International Shipping Corporation Berhad • PPB Oil Palms Berhad • Rashid Hussain Berhad

<p>ANG GUAN SENG</p> <p>DATE OF APPOINTMENT</p> <p>AGE</p> <p>QUALIFICATIONS AND EXPERIENCE</p> <p>OTHER DIRECTORSHIPS</p>	<p>Chairman of Nomination Committee • Member of Audit Committee</p> <p>8 July 1998</p> <p>66</p> <p>• Extensive experience and knowledge in commerce, industry, building as well as trading and has been the Managing Director of Petaling Garden Berhad since 1963</p> <p>• Parkway Holdings Limited • Petaling Garden Berhad • Malayan United Industries Berhad</p>
<p>TAN GEE SOOI</p> <p>DATE OF APPOINTMENT</p> <p>AGE</p> <p>QUALIFICATIONS AND EXPERIENCE</p> <p>OTHER DIRECTORSHIPS</p>	<p>Non-Executive Director</p> <p>28 July 2004</p> <p>60</p> <p>• Bachelor of Engineering (Honours) in Electrical Engineering from the University of Malaya • Held several senior managerial positions in the FFM Group and is presently the Managing Director of FFM Berhad</p> <p>FFM Berhad</p>
<p>YM RAJA DATO' SERI ABDUL AZIZ BIN RAJA SALIM</p> <p>DATE OF APPOINTMENT</p> <p>AGE</p> <p>QUALIFICATIONS AND EXPERIENCE</p> <p>OTHER DIRECTORSHIPS</p>	<p>Member of Audit and Nomination Committees</p> <p>12 May 2003</p> <p>66</p> <p>• Fellow of the Chartered Association of Certified Accountants, United Kingdom • Fellow of the Chartered Institute of Management Accountants, United Kingdom • Member of the Malaysian Institute of Accountants • Honorary Fellow of the Malaysian Institute of Taxation • Former Director-General of Inland Revenue, Malaysia • Former Accountant-General of Malaysia</p> <p>• Amanah Saham Mara Berhad • Camerlin Group Berhad • Gamuda Berhad • Gran Asia Corporation Berhad • Jerneh Asia Berhad • Jerneh Insurance Berhad • K&N Kenanga Berhad • K&N Kenanga Holdings Berhad • K&N Kenanga Unit Trust Berhad • Matsushita Electric Company (M) Berhad • PPB Oil Palms Berhad • Southern Steel Berhad • Tasek Corporation Berhad</p>

CHUA SAY SIN

Managing Director of Malayan Sugar
Manufacturing Co. Berhad (MSM)

YEAR OF JOINING PPB GROUP

1974

AGE

58

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Engineering (Honours) degree in Electrical Engineering from the New South Wales University, Australia
- Masters in Engineering Science from Sydney University, Australia
- Registered Professional Engineer (PE)
- Member of the Institution of Engineers
- Joined MSM in 1974 as an Instrument Engineer involving mainly in the implementation of automatic/computer control and mechanization of sugar refinery operations before becoming the Factory Manager in 1988
- Managing Director of Chemquest Group from 1993 to 2002

KHOO ENG MIN

Managing Director of PPB Oil Palms Berhad Group

YEAR OF JOINING PPB GROUP

1989

AGE

63

QUALIFICATIONS AND EXPERIENCE

- National Certificate in Agriculture from Monmouthshire Institute of Agriculture
- Higher National Diploma in Business Management from Oxford College of Technology
- Member of Royal Agriculture College in Rural Estate Management, United Kingdom
- Joined Dunlop Estates Berhad upon his graduation and served for about 21 years where he held the post of Plantations Controller

LEONG YEW WENG

Director of Chemquest Sdn Bhd

YEAR OF JOINING PPB GROUP

1993

AGE

46

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Engineering (Honours) degree in Electrical Engineering from the University of Liverpool
- Masters of Business Administration from Brunel, University of London
- Registered Professional Engineer (PE) with the Board of Engineers
- Member of the Malaysian Institute of Engineers
- 25 years of experience in general management, project management, procurement and management information systems in the Power, Oil & Gas, Water and Environmental Engineering Industries

EAPEN THOMAS

Executive Director of
PPB Hartabina Sdn Bhd

YEAR OF JOINING PPB GROUP

2003

AGE

57

QUALIFICATIONS AND EXPERIENCE

- Member of the Malaysian Institute of Accountants
- Member of the Malaysian Institute of Certified Public Accountants
- Currently the General Manager of Hillcrest Garden Sdn Bhd

KOH MEI LEE

Chief Executive of Golden Screen
Cinemas Group & Senior Manager
(Corporate Affairs) of PPB Group
Berhad

YEAR OF JOINING PPB GROUP

1990

AGE

40

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Business Administration degree (Summa Cum Laude) from the University of Montevallo, USA
- Oversees the investor relations and corporate exercises of PPB Group

TAN TEONG BOON

Company Secretary of
PPB Group Berhad

YEAR OF JOINING PPB GROUP

1969

AGE

58

QUALIFICATIONS AND EXPERIENCE

- Bachelor of Economics (Honours) degree in Business Administration from the University of Malaya
- Oversees the secretarial matters and general administrative functions of PPB Group

LEONG CHOY YING

Chief Financial Officer
of PPB Group Berhad
& Director of FFM Berhad

YEAR OF JOINING PPB GROUP

2004

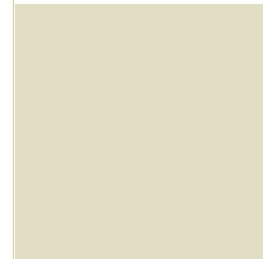
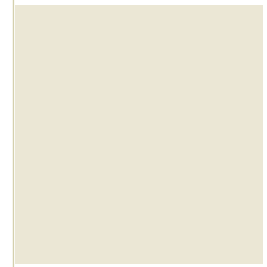
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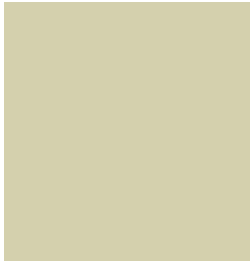
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QUALIFICATIONS AND EXPERIENCE

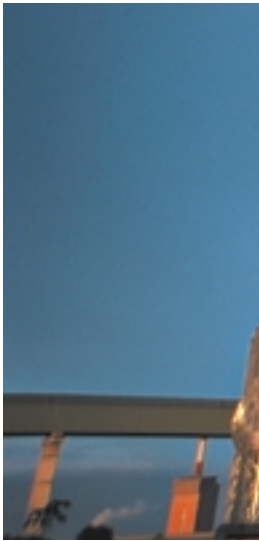
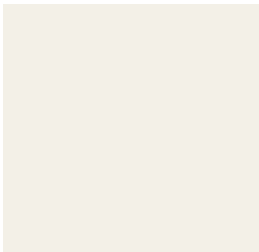
- Fellow of Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Accountants
- Member of the Malaysian Institute of Taxation
- Bachelor of Arts (Honours) degree in Business Studies from the University of West of England, Bristol
- Trained as a Chartered Accountant in the United Kingdom
- Worked in auditing, merchant banking, stockbroking and a public listed company prior to joining PPB Group Berhad

amusement centre operations	20-21
animal feed milling	22-23
chemicals manufacturing	24-25
cinema operations	26-27
commodity trading	28-29
consumer products distribution	30-31
contract manufacturing	32-33
edible oils refining	34-35
engineering services	36-37
flour milling	38-39
glove manufacturing	40-41
livestock farming	42-43
oil palm plantations	44-45
packaging	46-47
property development	48-49
sugar refining	50-51
utilities and environmental engineering	52-53





ACTIVITIES



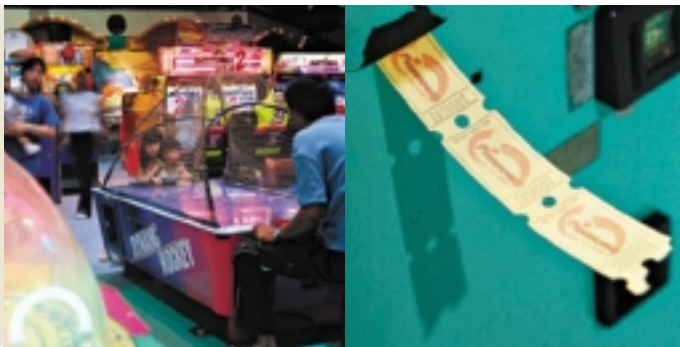
BACKGROUND INFORMATION

Kerry Leisure Concepts Sdn Bhd (KLC), a 50:50 joint venture between PPB Leisure Holdings Sdn Bhd and Kerry Leisure Concepts Pte Ltd, Singapore, operates one of the largest chains of family entertainment centres in Malaysia known as "Fireworks Fun Centre". KLC has a total of six centres located in Klang Valley (2), Johor Bahru (3) and Sungei Petani (1) with sizes ranging from 4,500 sf to 10,000 sf.

KLC also operates two children playlands and thirty-nine kiddie rides located at various supermarkets and hypermarkets in Klang Valley, Johor Bahru, Sungei Petani and Penang.

Amongst the rides and games available at all Fireworks Fun Centres and Children Playlands in the country are:-

- Simulator games
- Dance/Music games
- Redemption games
- Carnival games
- Children interactive games
- Touch screen games
- Video simulator games
- Kiddie rides
- Ballpools and Playports
- Bumper cars



MAJOR ACTIVITIES IN 2004

To enhance operating efficiency, KLC spent an aggregate sum of RM28,400 to reconfigure its Sungei Petani and Perling Mall centres. In addition, KLC upgraded the video simulators and carnival games at its various centres to offer customers the latest games.

EXPANSION / FUTURE PLANS

KLC is constantly looking for viable locations in the Klang Valley and Penang for new centres and also plans to expand its playland and kiddie ride operations in new hypermarkets.

BACKGROUND INFORMATION

In 1981, FFM Berhad expanded its core activities to include production of animal feeds with an initial capacity of 10 mt per hour.

Today, FFM Group ranks as one of the biggest feed millers in Malaysia and currently operates five feed mills in Peninsular and East Malaysia. The mills are strategically located in Prai, Port Klang, Pasir Gudang, Kota Kinabalu and Kuching with a combined production capacity of 125 mt per hour.

The Group manufactures over 300,000 mt of animal feeds annually which accounts for approximately 10% of the local market requirement.

FFM's animal feed is marketed under its own brandname "Friendship" and is available in mash, crumble and pellet expanded form. The products are categorized into:-

- Broiler feeds
- Domestic broiler feeds
- Poultry feeds
- Duck feeds
- Ruminant feeds
- Quail feeds
- Rabbit feeds



FFM's subsidiaries which are involved in the animal feed business are :-

- JBFM Feedmill Sdn Bhd
- FFM Feedmills (Sabah) Sdn Bhd
- FFM Feedmills (Sarawak) Sdn Bhd
- Johor Bahru Flour Mill Sdn Bhd

MAJOR ACTIVITIES IN 2004

There were no major activities during the year.

EXPANSION / FUTURE PLANS

FFM is constructing their sixth feed mill in Pulau Indah which is scheduled for completion in April 2005.

BACKGROUND INFORMATION

Asia Pacific Microspheres Sdn Bhd [APM], a wholly-owned subsidiary of Chemquest Sdn Bhd, is the only producer of phenolic thermoset microspheres in the world. These products are used for specialty applications in the aerospace, automobile, marine, defense, electronic, coating and adhesive sectors. APM also produces contact adhesive resins which are sold domestically as well as exported to North America, South America, Europe and the Asia Pacific region.

Malayan Adhesives & Chemicals Sdn Bhd (MAC), a 51.9% subsidiary of Chemquest, manufactures adhesives, resins, additives and formaldehyde, which are marketed to the local wood-based and paper industries.

The manufacturing plants of both APM and MAC are located in Shah Alam, Selangor. Both companies have received the ISO 9002 certification which was upgraded to the ISO 9001-2000.



MAJOR ACTIVITIES IN 2004

During the year, APM successfully developed a premium grade of Phenoset microspheres which contributed significant profits to APM. This highly precise and narrow-range microspheres were made to order for a customer in the United States who further processed the microspheres through a carbonization process to manufacture parts for the aerospace industry.

MAC installed a new reactor in December 2004 which increased the resin capacity by 52% and with this MAC will be able to capture the growth in the medium density fibreboard (MDF) and chipboard industries.

EXPANSION / FUTURE PLANS

APM is actively evaluating investment opportunities in the composite industry whilst MAC will further explore new products to its present slate of resins for wood-based industries.

BACKGROUND INFORMATION

Golden Screen Cinemas [GSC], a 54.2% subsidiary of PPB Leisure Holdings Sdn Bhd, currently operates the largest cinema chain in Malaysia with a total of 95 screens at 17 locations, all of which are located in prime sites in major cities nationwide.

GSC is also the top distributor of Chinese and independent English films in the country.

Locations	No. of Screens	No. of Seats
1. Mid Valley Megamall, Kuala Lumpur	18	2,899
2. Gurney Plaza Penang	12	1,833
3. Berjaya Times Square	9	1,570
4. The Summit, USJ	7	1,251
5. Pelangi Leisuremall, Johor Bahru	5	2,361
6. IOI Mall, Puchong	5	1,317
7. Kuantan Megamall, Kuantan	5	948
8. Terminal 1, Seremban	4	1,086
9. Cheras Leisuremall, Kuala Lumpur	4	1,424
10. Shaw Centrepoint, Klang	4	1,006
11. Mahkota Parade, Malacca	4	809
12. GSC, Kota Kinabalu	3	1,648
13. Ipoh Parade, Ipoh	3	803
14. Capitol Cinema, Selayang	3	750
15. Plaza, Bukit Mertajam	3	707
16. Central Square, Sungei Petani	3	666
17. Summit Parade, Batu Pahat	3	678
Total	95	21,756



MAJOR ACTIVITIES IN 2004

GSC opened its 12-screen cineplex at Gurney Plaza, Penang in January 2004. The cineplex is the largest in Penang and GSC's second flagship outlet after Mid Valley, Kuala Lumpur.

On 23 August 2004, GSC launched its E-Cinema (Electronic Cinema) which is a new extension of its International Screen and is an alternate method of projection using a high-end LCD projector. GSC E-cinema at Mid Valley, Kuala Lumpur and Gurney Plaza, Penang are the first in the country and these cinemas provide an opportunity for local producers and directors to shoot movies in their preferred formats to be shown on the big screen.

EXPANSION / FUTURE PLANS

In January 2005, GSC opened its 9-screen cineplex at Berjaya Times Square, Kuala Lumpur which is the first cineplex in Klang Valley to have a 48-seater Premiere Class hall with a connecting lounge. This cineplex is a 50:50 joint venture with Berjaya Times Square Sdn Bhd.

GSC will be opening its 13-screen cineplex at 1-Utama (New Wing) in the 2nd quarter of 2005 and this will further expand GSC's market share in the Klang Valley.

GSC continually upgrades its cinema facilities and delivers innovative products and services to enhance the cinema going experience of its customers.

COMMODITY TRADING

BACKGROUND INFORMATION

Kuok Oils & Grains Pte Ltd (KOG), a 28% associate of PPB Group, is a commodity trading cum investment holding company which owns edible oils and grains processing plants in China, Vietnam, Indonesia and Bangladesh.

KOG actively trades in palm oil, soyabean oil, rapeseed oil, coconut and palm kernel oil as well as grains namely, soyabeans, canola and maize.

KOG's overseas subsidiaries are involved in the processing of crude edible oils and the distribution and marketing of these oils as bulk and consumer packed oil products.



MAJOR ACTIVITIES IN 2004

During the year, KOG Group in a joint venture with PGEO Group invested in KOG Edible Oils BV, Rotterdam, a company which will construct and operate an edible oils and fats processing facility in Rotterdam, Netherlands. The plant with a processing capacity of 300,000 mt per annum is expected to commence operations in the 4th quarter of 2005.

EXPANSION / FUTURE PLANS

KOG plans to further expand its investment activities in China, Vietnam, Europe and India.

BACKGROUND INFORMATION

FFM Marketing Sdn Bhd (FMSB), a wholly-owned subsidiary of FFM Group, was set up in 1993 to market a wide range of fast-moving consumer products under its own brand names as well as other local and international brands.

In addition, FMSB is also responsible for marketing all products produced by the FFM Group such as flour, feed, day-old-chicks and table eggs.

FMSB owns eleven (11) warehouses which are located in Prai, Ipoh, Sg. Buloh, Melaka, Kuantan, Johor Baru, Kota Bharu, Kuching, Sibul, Kota Kinabalu and Sandakan covering a total warehousing area of 288,000 sq ft.

FFM Group's own brands/products are as follows:-

- Anchor - packaged flour
- Blue Key - packaged flour
- Blue Team - shortening and margarine
- Krystal - 100% pure corn oil
- Marina - canned fish and vegetables
- Marina - frozen food
- Muhibah - packaged flour
- Neptune - blended cooking oil
- Seri Murni - curry paste
- Seri Murni - double fractionated 100% palm based vegetable oil
- Seri Murni - table eggs
- Shamu - nata de coco and jelly cups

Others

- Flour (in 25kg bags and in bulk)
- Feed (in bags and in bulk)
- Day-old-chicks
- Table eggs



FMSB's external agency product portfolio consists of :-

- Blacktop - household insecticides
- Bluebell - household care and floor care
- Clorox - liquid bleach and floor care
- Glads - wraps/bags
- Grandcell - rechargeable alkaline batteries/battery chargers
- Guard - shoe care
- Johnson & Johnson - baby care and personal care
- Lingham - chilli sauces
- Nekta - concentrated/ready to drink Kiwi Fruit Juice
- Red Bull - energy drinks
- Spin - detergents
- Star Brand - culinary essence and colourings
- Sure - condom
- V-Soy - soya bean milk

MAJOR ACTIVITIES IN 2004

FMSB invested RM4.0 million in a Movex Java business solutions system to further enhance its supply chain management, distribution management and warehousing activities for more convenient monitoring and better control of activities between FMSB and its wide network.

EXPANSION / FUTURE PLANS

FMSB will continue to strive for increased access to sales channels and distribution outlets for long term stability and growth.

BACKGROUND INFORMATION

Products Manufacturing Sdn Bhd (PM), a 70% subsidiary of Chemquest Sdn Bhd, was acquired by PPB Group in 1993 to provide contract manufacturing services for cosmetics, toiletries and household products industries.

PM's factory located at Jalan Kepong, Kuala Lumpur is equipped with high-tech machineries and a qualified workforce. PM produces a variety of products such as creams, cold and hot mix liquids, lotions, gels, powders and pastes for the hair care, skin care, baby care, body care, household and car care market.

PM has been accredited with the Good Manufacturing Practice status since 1995 by Malaysia's Ministry of Health as its factory complies with the requirements of the Drug and Cosmetics Regulations Act, 1994.



MAJOR ACTIVITIES IN 2004

There were no major activities during the year.

EXPANSION / FUTURE PLANS

PM is constantly looking for business opportunities to expand its operations and to venture into Asean markets.

EDIBLE OILS REFINING

BACKGROUND INFORMATION

PGEO Group Sdn Bhd [PGSB] is a major edible oils refiner and exporter in Malaysia, processing close to 4 million mt of edible oils per year.

PGSB and its associate operate six refineries with a combined production capacity of about 12,780 mt per day. About 90% of the Group's production is exported to India, China, Middle East, Pakistan, EU countries, USA and Russia whilst the balance is sold locally.

PGSB Group's activities are vertically integrated from the conversion of crude oils into refined oil products to production of shortening and hydrogenated products, cocoa butter replacers and other specialty fats which are marketed in bulk, drums and consumer packs.

The location of PGSB's operations are set out below:-

Edible Oils Refining	- Prai, Lumut, Pasir Gudang, Bintulu, Sandakan and Lahad Datu
Dry Fractionation	- Prai, Lumut, Pasir Gudang, Bintulu, Sandakan and Lahad Datu
Palm Kernel Crushing	- Bintulu, Sandakan and Lahad Datu
Hydrogenation	- Pasir Gudang
Texturising	- Pasir Gudang
Palm Kernel Oil Fractionation	- Pasir Gudang
Calcium Salts Manufacturing	- Pasir Gudang



The Group's equity interest in PGSB's subsidiaries and associates are as follows :-

	Group's Equity Interest
• PGEO Edible Oils Sdn Bhd (PGEO)	100%
• Sandakan Edible Oils Sdn Bhd (SEO)	100%
• Bintulu Edible Oils Sdn Bhd	100%
• Lahad Datu Edible Oils Sdn Bhd	45%
• Volac Ingredients Sdn Bhd	51%
• KOG Edible Oils BV, Netherlands	35%

MAJOR ACTIVITIES IN 2004

In the first quarter of 2004, PGEO completed the construction of soybean silos with a total storage capacity of 12,000 mt at Pasir Gudang. At the same location, an additional fractionation plant for the production of specialty fats was commissioned. The fractionation plant commenced production in January 2005.

In August 2004, PGEO Group completed the conversion of Medium Fuel Oil to Natural Gas for its Steam Project. Its joint venture with Volac Ltd for the manufacturing of calcium salts for feed ingredients at Pasir Gudang commenced operation in November 2004.

PGEO Group invested a total of Euro 4.2 million in KOG Edible Oils BV, Rotterdam which will construct and operate an edible oils and fats processing facility in Rotterdam, Netherlands. The edible oils refinery and fractionation plant with a processing capacity of about 300,000 mt per annum is expected to commence operation in September 2005. This investment will enable PGEO Group to strengthen its presence and engage more actively in the growing European market for palm products.

In November 2004, PGEO Group successfully acquired an industrial land at Sandakan for future expansion.

EXPANSION / FUTURE PLANS

PGEO plans to install an additional hydrogenation plant for production of hydrogenated products at Pasir Gudang.

SEO will be upgrading its palm kernel crushing plant at Sandakan from 550 to 1000 tonnes per day to provide for future demand and production needs. In addition, SEO is taking the initiative to execute the Renewable Energy Project by constructing a Biomass Fired Steam Generator Plant for energy generation at Sandakan.

BACKGROUND INFORMATION

Minsec Engineering Services Sdn Bhd (MES), a 100% subsidiary of Chemquest Group, provides services in engineering design, equipment fabrication, installation, plant operation, training and maintenance to clients in Malaysia and Asia Pacific.

MES is also involved in turnkey construction of palm oil and sugar mills, bulking and storage facilities, factory buildings and ethanol and formalin plants.

MES core business lies in the construction of palm oil mills. To date, MES has constructed mills in East Malaysia and successfully completed several large expansion and refurbishing works in the agricultural sector.



MAJOR ACTIVITIES IN 2004

MES successfully completed several projects in 2004 with a combined contract value of RM45.0 million. Amongst the projects completed are the construction of three new palm oil mills in Sabah and Sarawak complete with bulking facilities for PPB Oil Palms Group and the ancillary booster pump skid for West Natuna Project owned by Petronas Carigali.

During the year, MES secured several other projects with a total contract value of RM62.4 million.

EXPANSION / FUTURE PLANS

MES plans to undertake the supply of co-generation and composting of palm oil waste as "organic soil conditioners" for palm oil estates and is presently in an advance stage of research and development.

BACKGROUND INFORMATION

FFM Berhad (FFM) commenced its wheat milling operations in 1966 with a single mill and a milling capacity of 150 mt of wheat per day in South Port, Klang. Today, FFM Group has grown to become the largest flour miller in Malaysia supplying more than 40% of the country's wheat flour requirements. Its milling complexes are strategically located in South Port, Port Klang; Pasir Gudang, Johor Bahru; Pulau Indah, Port Klang; Kuching, Sarawak; My Xuan, Vietnam and Samutprakarn, Thailand with a total milling capacity of 2,680 mt per day.

In 2001, FFM expanded its operations overseas to Vietnam through its 52.5% subsidiary, Vietnam Flour Mills Ltd, which operates a 400-mt flour mill in My Xuan, Vung Tau Province. The flour produced by the plant is presently marketed under the brand names of Red Key, Blue Key and Twin Globe.

Other products produced for the domestic market include:-

- Wheat Flour - Bread, Noodles, Biscuits, Cakes, All-Purpose
- Specialty Wheat Flour Products - Semolina, Special Wholemeal
- Other Wheat Specialty Products - Wheat, Food Bran, Wheat Germ
- Bread Improvers & Premixers - Cake Donut, Yeast-Raised Donut

FFM's subsidiaries which are engaged in flour milling are as follows :-

- Johor Bahru Flour Mill Sdn Bhd
- FFM Flour Mills (Sarawak) Sdn Bhd
- Vietnam Flour Mills Ltd



MAJOR ACTIVITIES IN 2004

In June 2004, FFM through its wholly-owned subsidiary, Buxton Limited, acquired a 43.35% equity interest in Kerry Glory Flour Mills Co. Limited (KGFM), a company incorporated in Thailand. In October 2004, KGFM changed its name to Kerry Flour Mills Limited (KFM).

KFM is principally involved in wheat flour milling and distribution. It owns and operates a 250 mt per day flour mill and 14 silos with a storage capacity of 24,000 mt located in Samutprakarn, Thailand.

EXPANSION / FUTURE PLANS

In the 4th quarter of 2005, FFM Group will be integrating its existing flour mill in Pulau Indah with its new flour mill currently under construction which is scheduled for completion by mid-2005. These mills would replace FFM's existing production facility in South Port, Port Klang.

To enhance FFM's operational efficiencies through economies of scale and to enjoy bulk purchasing of raw materials as well as synergies in freight arrangements, FFM will constantly seek for new flour milling businesses in the Asean region.

BACKGROUND INFORMATION

PT Healthcare Glovindo [Glovindo], a 100% subsidiary of Chemquest Group, operates a latex examination glove factory in Medan, Sumatra with seventeen dipping lines and an annual production capacity of 900 million pieces.

Glovindo produces pre-powdered and powder-free latex examination gloves for medical and industrial use. All products are exported mainly to the United States, Europe and Latin America. Glovindo’s own brand known as “MEDIQUEST” is sold to Portugal and Greece.

In 1997, Glovindo received the ISO 9002 certification for its products.

PRODUCTION RESULTS

	NO. OF GLOVES	
	2004	2003
Total Production	686 million	687 million



MAJOR ACTIVITIES IN 2004

The focus for year 2004 was to improve efficiency and towards this end, a total of RM2.73 million was spent to upgrade its fixed assets. The increase in efficiency will reduce the unit cost of production leading to better margins.

EXPANSION / FUTURE PLANS

To meet the anticipated growth in global demand, Glovindo is exploring the possibility of installing 3 additional lines at its existing factory in year 2006 which will then increase its production capacity from 1.15 billion to 1.5 billion pieces per year.

BACKGROUND INFORMATION

Established in 1993, FFM Farms Sdn Bhd (FFM Farms), a wholly-owned subsidiary of FFM Berhad, currently operates two broiler breeder farms located at Sua Betong, Negeri Sembilan and Gurun, Kedah with a total production capacity of 3 million broiler day-old-chicks per month. Together, both farms can rear up to 350,000 Parent Stock chickens through a combination of good farming practices, hatchery management and the usage of good breeds.

Its layer farm is located on a 550-acre site at Trong, Perak and is capable of producing 20 million table eggs per month. Some of these are marketed under the "Seri Murni" premium eggs label.

FFM Farms also produces an organic fertilizer using pure chicken manure that has been completely composted into a near odourless plant food.



MAJOR ACTIVITIES IN 2004

During the year, FFM Farms concentrated on enhancing its bio-security procedures and good farming practices in the farms.

Its layer farm in Trong was assessed for its quality management system and was certified ISO 9001:2000 by AJA Registrars/UKAS in March 2004.

On the other hand, its Sua Betong Farm received an accreditation from the Department of Veterinary Services, Ministry of Agriculture, Malaysia under the "Skim Amalan Ladang Ternakan (SALT)" in July 2004 for its Good Animal Husbandry Practice, Biosecurity and Infrastructure, Flock Health Management and Disease Control.

EXPANSION / FUTURE PLANS

The expansion of farm capacities at Sua Betong and Gurun to 3.0 million chicks per month has been completed and all three farms have reached optimum size for effective biosecurity level.

OIL PALM PLANTATIONS

BACKGROUND INFORMATION

Oil Palm Plantations operation represents one of the core businesses of the Group and is held through its 55.6% subsidiary, PPB Oil Palms Bhd (PPBOP).

PPBOP produces FFB at its plantations and also purchases outside FFB which are processed at its eight mills located in Sabah (4), Sarawak (3) and Indonesia (1) with a total milling capacity of 1.8 million mt of FFB per annum.

AREA STATEMENT - 2004

(All figures in ha)

	East Malaysia		Indonesia		Total	
	2004	2003	2004	2003	2004	2003
Total Area	80,017	80,017	113,904	61,929	193,921	141,946
Total Plantable Area	67,083	67,924	89,150	48,700	156,233	116,624
Mature	53,829	51,047	7,948	6,094	61,777	57,141
Immature	7,221	10,893	10,113	6,621	17,334	17,514

PRODUCTION - 2004

Estates

	East Malaysia		Indonesia		Total	
	2004	2003	2004	2003	2004	2003
FFB ('000 mt)	1,143.9	1,053.1	124.6	97.2	1,268.4	1,150.3
Yield per mature ha (mt)	21.2	20.6	15.7	16.0	20.5	20.1

Mills

CPO ('000 mt)	307.1	267.0	31.3	22.5	338.4	289.5
OER (%)	21.7	21.9	22.4	21.7	21.7	21.9
KER (%)	4.5	4.6	4.4	4.1	4.5	4.6

AVERAGE SELLING PRICES

	2004	2003
Crude Palm Oil (RM/tonne) Nett	1,610	1,456
Palm Kernel (RM/tonne) Nett	971	675
Fresh Fruit Bunches (RM/tonne, ex-estate)	331	290



AGE PROFILE OF PALMS AS AT 31 DECEMBER 2004

		Age of Palms	East Malaysia	Indonesia	Total	
Immature	-	Up to 3 years	7,221	10,113	17,334	22%
Young	-	4 to 6 years	10,751	4,428	15,179	19%
Prime]	7 to 10 years	14,414	2,720	17,134	22%
		11 to 14 years	16,967	800	17,767	22%
		15 to 20 years	9,313	-	9,313	12%
Old]	Above 20	2,384	-	2,384	3%
		Total	61,050	18,061	79,111	100%

MAJOR ACTIVITIES IN 2004

During the year, PPBOP commissioned its eighth CPO mill in Suburmas estate, Sarawak. The 40-tph mill is a joint-venture between Suburmas Plantations Sdn Bhd and three Sarawakian plantation companies.

EXPANSION / FUTURE PLANS

During the year, PPBOP expanded its land bank in Indonesia by 50,322 ha to 113,904 ha with the acquisition of three companies holding Izin Lokasi's for oil palm development in Central Kalimantan. In early 2005, PPBOP acquired another 16,867 ha of land in Central Kalimantan for oil palm cultivation, bringing PPBOP's total land bank in East Malaysia and Indonesia to 210,788 ha.

Management's focus over the medium to long term will be its expansion programme in Central Kalimantan, Indonesia, where it has, with the recent signings, acquired a land bank of about 103,688 ha, of which 10,000 ha have been planted to-date. Over the next five years, PPBOP plans to develop this land at an average of about 15,000 ha per annum, including the establishment of CPO mills to process the FFB produced.

PACKAGING

BACKGROUND INFORMATION

CONSUMER PACKAGING

PGEO Edible Oils Sdn Bhd [PGEO] ventured into consumer packaging in 1986 with the packing of edible oils into tin cans and PVC bottles. Today, PGEO owns filling lines to pack various sizes of bottles and containers ranging from 250 ml PET bottles to 25 kg HDPE containers. The packed products are either exported to overseas markets or distributed locally under “Neptune” and “Seri Murni” brands.

STEEL DRUM MANUFACTURING

PGEO manufactures 210-litre steel drums for local and export markets. It operates two drum assembly lines with a combined capacity of 800 drums per hour. The drums are internally unlined or coated with epoxy and externally sprayed with stoving paint.

POLYBAG MANUFACTURING

Tego Sdn Bhd (Tego), a 79.9% subsidiary of FFM Bhd, is the leading producer of commercial polypropylene (PP) and polyethylene (PE) bags.

Its manufacturing facilities occupy a total of 16 acres of industrial land in the Senawang Industrial Estate and Senawang Industrial Park in Negeri Sembilan. Its subsidiary, Tefel Packaging Industries Co Ltd, is located on a 4-acre site in Yangon, Myanmar.



Tego's products include:

- Woven polypropylene (PP) and polyethylene (PE) bags
- PP and PE fabrics
- Kraft paper bags with PP/PE lamination
- PP rope and sewing yarn
- FIBC bulker bags
- Geotextiles
- Weedtex
- Webbing
- PE blown film products
- High tenacity PP/PE multifilament yarn

In 1995, Tego received an award for ISO 9002:1994 Quality Management Systems certification which was upgraded to ISO 9001:2000 in year 2002.

MAJOR ACTIVITIES IN 2004

There were no major activities during the year.

EXPANSION / FUTURE PLANS

The Tego Group has implemented a computerized ERP system covering the operations of Tego and its wholly-owned subsidiary, Tego Multifil Sdn Bhd to enhance its product development efforts in particular the technical fabrics such as multifilament, non-wicked, flat fabrics; circular hybrid fabrics; low-weight, high construction, tougher and finer circular fabrics; and multifilament circular fabrics.

PROPERTY DEVELOPMENT

BACKGROUND INFORMATION

PPB Hartabina Sdn Bhd (PPBH), a wholly-owned subsidiary of PPB, is principally involved in residential and commercial development as well as property management.

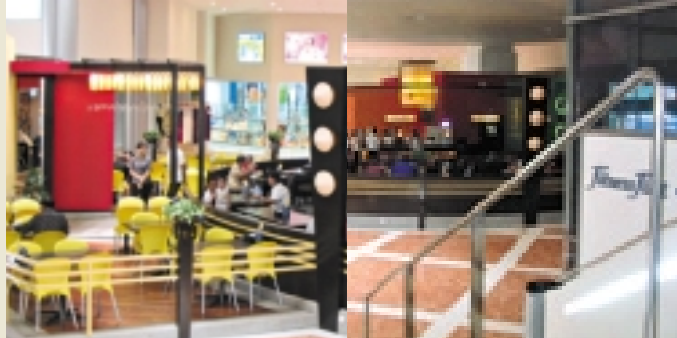
Currently, PPBH is developing 52.6 acres of prime hill land in Taman Segar, Cheras and manages its own shopping complex "Cheras LeisureMall".

Other active property companies under PPB Group include Seletar Sdn Bhd (Seletar), Cathay Screen Cinemas Group (CSC) and Shaw Brothers (M) Sdn Bhd (SBM) in which PPB has 100%, 66.2% and 34% equity interest respectively.

CSC and SBM are owners of several prime commercial properties in the country.

PPB Group's major commercial properties are as follows:

	Owners	Lettable Area (sf)	Average Monthly Rental (RM/sf)	Occupancy (%)
Cheras Leisuremall	PPBH	264,517	4.73	100
Cheras Plaza	PPBH	102,750	1.50	14
Damansara Jaya	CSC	50,450	1.55	100
Shaw Centrepoint	SBM	255,450	4.00	98
Shaw Parade	SBM	155,733	1.60	93



MAJOR ACTIVITIES IN 2004

PPBH completed its Bukit Segar Phase II development comprising 121 units of semi-detached houses, bungalow units and bungalow lots and handed over these units to homeowners in April 2004.

Its 576 units of low-cost flats in Taman Segar were completed and handed over to homeowners in May 2004.

PPBH's wholly-owned subsidiary, Seletar, handed over its Phase I development in Taman Sinar Mentari comprising 574 units of single-storey terrace houses, low-cost units and single-storey semi-detached houses to homeowners in April 2004. Another 27 units of single-storey terrace houses were handed over to homeowners in October 2004.

In July 2004, PPBH launched its 78 units of medium cost apartments in Taman Segar known as "Segar Courts". Construction works for the 14 storey apartment building started in May 2004 and is scheduled for completion in November 2005.

PPBH refurbished its Cheras LeisureMall at a total cost of RM13.0 million to give the mall a brand new look with improved facilities. Its Cheras Plaza was also refurbished.

EXPANSION / FUTURE PLANS

In the 2nd Quarter of 2005, PPBH will be developing retail and food and beverage related kiosks for rental at Penang's New World Park.

Currently, PPBH is awaiting approval from relevant authorities for a high-end residential project comprising 38 units of exclusive bungalows located on the remaining land in Bukit Segar, Cheras.

Another up-market residential development comprising 48 units of bungalows, 24 units of semi-detached houses and 12 units of shophouses covering a 29-acre land in Bukit Tengah, Seberang Prai, will be launched in 2005.

Besides actively sourcing for additional land bank for residential and commercial development, PPBH is also looking into developing its remaining 224 acres of land in Bedong, Kedah which was approved for residential and commercial development.

SUGAR REFINING

BACKGROUND INFORMATION

Malayan Sugar Manufacturing Company Bhd (MSM), a wholly-owned subsidiary of PPB, operates the region's largest sugar refinery which is located at Prai, Province Wellesley with a melting capacity of 2,000 mt of raw sugar per day. The mill produces various types of sugar for industrial and household consumption for the domestic and overseas markets as follows :-

Industrial products	Household products
P1, P1M, PIS, PXX, IG, Caster, PF, P2, P3, P3H, P4, PB, Icing	Coarse granulated sugar, fine granulated sugar, caster sugar, cube sugar, sachet sugar, icing sugar, soft brown sugar

Kilang Gula Felda Perlis Sdn Bhd (KGFP), a 50:50 joint venture between PPB and FELDA, operates an integrated sugar mill to process sugar cane from the combined plantation of approximately 9,000 hectares in Chuping, Perlis. The mill has a milling capacity of 5,500 mt of cane per day and melting capacity of 650 mt of raw sugar per day.

At present, both MSM and KGFP produce more than 650,000 mt of refined sugar per annum and supply about 60% of the domestic sugar requirements.



MAJOR ACTIVITIES IN 2004

For year 2004, MSM spent a total of RM18.3 million to upgrade its operating efficiencies which include the conversion of its existing steam boilers to operate using either fuel oil or natural gas to reduce energy cost. In addition, MSM acquired railway containers and installed a 1-tonne bulk packaging facility in Sungei Buloh to reduce transportation and handling costs. These are all completed successfully.

EXPANSION / FUTURE PLANS

MSM plans to spend not less than RM8.4 million in 2005 to further enhance its operating efficiency thereby increasing production and reducing unit cost.

For year 2005, MSM will remain focused on energy savings projects in view of the escalating world crude oil prices.

BACKGROUND INFORMATION

Chemical Waste Management Sdn Bhd [CWM], a 99% subsidiary of Chemquest Group is a leading service provider for water resource engineering, wastewater/sewage treatment and solid waste management.

CWM provides the following services :-

- Build, commission and manage various water treatment facilities for household and industrial consumption.
- Construct wastewater treatment plants for various types of industries.
- Construct sewage treatment plants for municipal authorities.
- Infrastructure development.
- Collect and dispose industrial and residential solid waste on a large scale for various municipalities in Malaysia.

CWM has successfully commissioned more than 20 water projects throughout Malaysia and 50 wastewater treatment plants for various types of industries.



MAJOR ACTIVITIES IN 2004

CWM successfully completed 3 projects with a combined contract value of RM84.8 million in year 2004. The projects were the Bayan Baru Sewage Treatment Works; Wangsa Maju Booster Pumping Station and Ancillary Works; and the construction of Sludge Treatment Plant at the Sungei Semenyih Water Treatment Plant.

EXPANSION / FUTURE PLANS

CWM will continue to work with strategic partners and participate in open tenders for new projects.

For the Group's overseas ventures, CWM will continue to provide business development and technical support for water, wastewater and solid waste business and establish strategic partnership with market leaders.

GROUP FINANCIAL HIGHLIGHTS

Quarter	1st	2nd	3rd	4th	12 months		Change
Financial period ended (All figures in RM million)	31.3.04	30.6.04	30.9.04	31.12.04	31.12.04	31.12.03	
INCOME STATEMENT							
Revenue	2,578.036	2,818.492	2,919.638	2,683.516	10,999.682	9,319.768	18.03%
Profit from operations	141.089	134.563	171.765	154.553	601.970	554.572	8.55%
Profit before taxation	184.533	147.889	194.074	207.012	733.508	707.360	3.70%
Net profit for the year	97.905	73.271	96.921	132.567	400.664	371.253	7.92%
BALANCE SHEET							
Current assets							
Inventories	945.463	957.860	797.506	950.604	950.604	810.429	17.30%
Trade receivables	451.109	520.942	598.087	498.194	498.194	423.760	17.57%
Cash, bank balances and deposits	673.652	708.546	665.444	537.728	537.728	724.579	-25.79%
Others	396.466	415.901	349.901	360.555	360.555	333.583	8.09%
Total current assets	2,466.690	2,603.249	2,410.938	2,347.081	2,347.081	2,292.351	2.39%
Current liabilities							
Trade payables	343.520	288.617	379.253	281.896	281.896	296.295	-4.86%
Short term bank borrowings	443.124	563.770	471.226	358.232	358.232	390.942	-8.37%
Others	274.635	320.714	276.096	292.474	292.474	294.981	-0.85%
Total current liabilities	1,061.279	1,173.101	1,126.575	932.602	932.602	982.218	-5.05%
Non-current assets							
Property, plant and equipment	2,489.665	2,496.003	2,617.066	2,642.271	2,642.271	2,478.584	6.60%
Associates	552.216	539.484	571.913	598.741	598.741	535.668	11.77%
Jointly controlled entities	38.857	38.809	38.809	38.867	38.867	27.547	41.09%
Other investments	407.350	407.024	405.812	452.320	452.320	412.098	9.76%
Goodwill	36.617	36.087	35.455	34.687	34.687	34.779	-0.26%
Others	25.286	25.965	25.369	19.945	19.945	24.129	-17.34%
Total non-current assets	3,549.991	3,543.372	3,694.424	3,786.831	3,786.831	3,512.805	7.80%
Non-current and deferred liabilities							
Long-term bank borrowings	95.171	109.769	143.987	149.751	149.751	83.877	78.54%
Others	268.348	273.202	303.109	312.076	312.076	268.313	16.31%
Total non-current and deferred liabilities	363.519	382.971	447.096	461.827	461.827	352.190	31.13%
Minority interest	1,512.664	1,509.970	748.463	779.395	779.395	1,482.721	-47.43%

Quarter Financial period ended (All figures in RM million)	1st 31.3.04	2nd 30.6.04	3rd 30.9.04	4th 31.12.04	12 months 31.12.04 31.12.03		Change
Share capital	490.623	490.623	592.750	592.750	592.750	490.623	20.82%
Reserves	2,588.596	2,589.956	3,190.478	3,367.338	3,367.338	2,497.404	34.83%
Shareholders' equity	3,079.219	3,080.579	3,783.228	3,960.088	3,960.088	2,988.027	32.53%
RATIOS							
Return on net assets (%)	3.74	6.70	10.63	14.15	14.15	14.71	
Return on equity (%)	3.18	5.56	7.09	10.12	10.12	12.42	
Earnings per share (sen)	19.96	34.89	52.87	75.80	75.80	75.67	0.17%
Profits before tax over revenue (%)	7.16	6.16	6.33	6.67	6.67	7.59	
Interest coverage (times)	51.09	41.64	44.52	49.59	49.59	62.60	-20.78%
Current ratio (times)	2.32	2.22	2.14	2.52	2.52	2.33	8.15%
Long Term Debt/Equity (%)	3.09	3.56	3.81	3.78	3.78	2.81	
Net tangible assets per share (RM)	6.20	6.21	6.32	6.62	6.62	6.02	9.97%
Net dividend per share (sen)	0.00	8.60	15.80	23.70	23.70	20.52	15.50%
STOCK MARKET INFORMATION							
Share price (RM)	7.80	6.50	6.55	6.80	6.80	6.55	3.82%
Market capitalisation (RM million)	3,826.86	3,189.05	3,882.51	4,030.70	4,030.70	3,213.58	25.43%
PE ratio (times)					8.97	8.66	

5 - YEAR GROUP STATISTICS

Year ended 31 December (All figures in RM million)	2000	2001	2002	2003	2004
INCOME STATEMENT					
Revenue	5,240.288	5,629.093	7,857.980	9,319.768	10,999.682
Profit from operations	266.292	235.119	377.813	554.572	601.970
Profit before taxation	408.855	321.566	500.747	707.360	733.508
Net profit for the year	244.482	170.302	242.996	371.253	400.664
BALANCE SHEET					
Current assets					
Inventories	537.656	590.229	729.666	810.429	950.604
Trade receivables	269.542	369.025	368.193	423.760	498.194
Cash, bank balances and deposits	480.756	492.913	478.532	724.579	537.728
Others	423.446	411.279	392.051	333.583	360.555
Total current assets	1,711.400	1,863.446	1,968.442	2,292.351	2,347.081
Current liabilities					
Trade payables	211.581	260.343	266.600	296.295	281.896
Short term bank borrowings	508.139	469.605	383.244	390.942	358.232
Others	225.716	272.550	283.750	294.981	292.474
Total current liabilities	945.436	1,002.498	933.594	982.218	932.602
Non-current assets					
Property, plant and equipment	2,215.946	2,375.236	2,384.123	2,478.584	2,642.271
Associates	675.223	675.320	687.849	535.668	598.741
Jointly controlled entities	0.663	0.671	0.314	27.547	38.867
Other investments	259.068	242.384	236.655	412.098	452.320
Goodwill	42.268	39.073	37.093	34.779	34.687
Others	54.227	15.153	23.859	24.129	19.945
Total non-current assets	3,247.395	3,347.837	3,369.893	3,512.805	3,786.831
Non-current and deferred liabilities					
Long-term bank borrowings	11.190	32.824	78.148	83.877	149.751
Others	61.900	68.778	252.362	268.313	312.076
Total non-current and deferred liabilities	73.090	101.602	330.510	352.190	461.827
Minority interest	1,286.800	1,331.655	1,372.859	1,482.721	779.395

Year ended 31 December (All figures in RM million)		2000	2001	2002	2003	2004
Share capital		367.967	490.623	490.623	490.623	592.750
Reserves		2,285.502	2,284.905	2,210.749	2,497.404	3,367.338
Shareholders' equity		2,653.469	2,775.528	2,701.372	2,988.027	3,960.088
CASHFLOW POSITION						
Operating		521.420	310.143	332.512	527.441	442.849
Investing		(7.544)	(192.439)	(80.867)	(137.036)	(479.736)
Financing		(388.298)	(100.506)	(270.227)	(140.809)	(149.525)
Net increase / (decrease) in cash and cash equivalents		125.578	17.198	(18.582)	249.596	(186.412)
RATIOS						
Return on net assets	(%)	10.23	7.68	11.43	14.71	14.15
Return on equity	(%)	9.21	6.14	9.00	12.42	10.12
Earnings per share	(sen)	49.83	34.71	49.53	75.67	75.80
Profits before tax over revenue	(%)	7.80	5.71	6.37	7.59	6.67
Interest coverage	(times)	21.73	24.34	37.10	62.60	49.59
Current ratio	(times)	1.81	1.86	2.11	2.33	2.52
Long term debt/Equity	(%)	0.42	1.18	2.89	2.81	3.78
Net tangible assets per share	(RM)	5.32	5.58	5.43	6.02	6.62
STOCK MARKET INFORMATION						
Share price	(RM)	2.64	3.32	3.94	6.55	6.80
Market capitalisation	(RM million)	1,295.24	1,628.87	1,933.05	3,213.58	4,030.70
PE ratio	(times)	5.30	9.56	7.95	8.66	8.97
DIVIDEND						
Gross dividend per share	(sen)	20.00	20.00	46.50	25.00	30.00
Net dividend per share	(sen)	15.80	15.80	43.00	20.52	23.70
Payout ratio of Company's earnings	(%)	49.64	49.09	97.57	72.27	75.40
Net dividend yield	(%)	5.98	4.76	10.91	3.13	3.49

FINANCIAL PERFORMANCE

	Revenue		Profit Before Tax	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
PPB Group Berhad	10,999,682	9,319,768	733,508	707,360
Listed subsidiary :-				
PPB Oil Palms Berhad	588,440	449,283	264,304	199,506
Non-listed subsidiaries :-				
FFM Berhad	9,590,646	7,994,912	237,159	287,584
MSM Group	730,106	710,539	187,359	201,121
Chemquest Group	361,283	272,217	38,094	1,523
PPB Leisure Group	106,824	91,967	13,673	13,505
PPB Hartabina Sdn Bhd	77,512	97,060	24,066	24,833

Net Profit

2004 RM'000	2003 RM'000
400,664	371,253
186,866	135,606
148,738	197,780
149,926	161,510
29,890	(7,670)
3,907	4,827
15,485	17,271

Earnings Per Share

2004 Sen	2003 Sen
75.80	75.67
41.95	30.49
66.66	88.64
412.34	444.20
19.16	(5.52)
8.00	9.88
22.12	24.67

Net Tangible Assets Per Share

2004 RM	2003 RM
6.62	6.02
2.71	2.43
7.94	7.54
20.44	19.07
1.23	1.08
1.47	1.54
1.59	1.44

MOVEMENTS IN SHARE CAPITAL

Date of allotment	Consideration	No. of ordinary shares allotted	Total issued and paid-up share capital RM
01-11-1968	Cash subscription	2	2
31-12-1969	Cash subscription	900,000	900,002
17-01-1971	Cash subscription	1,650,000	2,550,002
31-03-1971	Cash subscription	5,950,000	8,500,002
01-12-1971	Cash subscription	1,500,000	10,000,002
23-03-1972	Cash subscription	750,000	10,750,002
31-03-1972	Cash subscription	1,249,998	12,000,000
22-05-1972	Cash - Public Issue	3,000,000	15,000,000
18-04-1974	1 for 3 Rights Issue at par	5,000,000	20,000,000
08-09-1976	Acquisition of 35,468,000 shares in Malayan Sugar Manufacturing Company Berhad (MSM)	53,202,000	73,202,000
20-09-1976	Acquisition of 640,000 shares in MSM	960,000	74,162,000
19-12-1979	Acquisition of 4,000,482 Mineral Securities Malaysia Bhd (now known as Minsec Properties Bhd [Minsec]) shares from Chinteik Brothers (Singapore) Co. Pte Ltd	8,000,964	82,162,964
09-02-1980	Acquisition of 1,061,878 Minsec shares pursuant to acceptances of Takeover Offer dated 12-12-1979	2,123,756	84,286,720
01-04-1980	Compulsory acquisition of remaining 45,640 Minsec shares pursuant to Section 180 of the Companies Act, 1965	91,280	84,378,000
07-05-1981	2 for 5 Bonus Issue	33,751,200	118,129,200
15-06-1981	1 for 10 Rights Issue at RM4.00 per share	8,437,800	126,567,000

Date of allotment	Consideration	No. of ordinary shares allotted	Total issued and paid-up share capital RM
08-11-1982	Special Issue to Bumiputeras at RM4.60 per share	1,200,000	127,767,000
07-05-1983	Special Issue to Bumiputeras at RM4.60 per share	1,200,000	128,967,000
11-06-1984	Acquisition of 34% interest in Shaw Brothers (M) Sdn Bhd in exchange for PPB shares	8,654,000	137,621,000
10-12-1987	Acquisition of 33,874,052 shares in Federal Flour Mills Berhad (now known as FFM Berhad [FFM]) pursuant to acceptances of Takeover Offer dated 22-10-1987	28,792,944	166,413,944
10-12-1987	Acquisition of 53,813,885 shares in Rasa Sayang Beach Hotels (Pg) Berhad (RSBH) (now known as Shangri-la Hotels (Malaysia) Berhad) pursuant to acceptances of Takeover Offer dated 22-10-1987	16,144,166	182,558,110
04-02-1988	Compulsory acquisition of remaining 4,751,875 RSBH shares pursuant to Section 180 of the Companies Act, 1965	1,425,562	183,983,672
08-09-1989	1 for 3 Bonus Issue	61,327,890	245,311,562
18-09-1992	1 for 5 Bonus Issue	49,062,312	294,373,874
24-07-1996	1 for 4 Bonus Issue	73,593,469	367,967,343
23-11-2001	1 for 3 Bonus Issue	122,655,781	490,623,124
17-08-2004	Privatisation of FFM by way of a members' scheme of arrangement under Section 176 of the Companies Act, 1965, comprising of a share exchange on the basis of 1 new PPB share plus cash of RM2.00 for every 1 FFM share	102,126,817	592,749,941

DIVIDEND
RECORD

FYE 31 Dec	Issued Capital '000	Dividend payments			
		Gross dividend Sen	Net dividend Sen	Payout ratio of Company's earnings %	
1992	294,374	16.0	10.5	47.2	
1993	294,374	16.0	10.7	20.5	
1994	294,374	16.0	11.0	41.8	
1995	294,374	16.0	11.2	44.7	
1996	367,967	16.0	11.2	91.2	
1997	367,967	16.0	11.4	13.3	
1998	367,967	16.0	11.5	93.7	
1999	367,967	24.0	17.3	67.9	
2000	367,967	20.0	15.8	49.6	
2001	490,623	20.0	15.8	49.1	
2002	490,623	46.5	43.0	97.6	
2003	490,623	25.0	20.5	72.3	
2004	592,750	30.0	23.7	75.4	
					62

2005 Events

Feb	Press release on 4th Quarter Results of 2004
Mar	Publication of Investor Update for the 4th Quarter ended 31 December 2004 Press Briefing
Apr	Publication of Annual Report 2004 and Investor Handbook Analyst Briefing
May	Annual General Meeting Press release on 1st Quarter Results of 2005
Jun	Publication of Investor Update for the 1st Quarter ended 31 March 2005
Aug	Press release on 2nd Quarter Results of 2005 Analyst Briefing
Sep	Publication of Investor Update for the 2nd Quarter ended 30 June 2005
Nov	Press release on 3rd Quarter Results of 2005
Dec	Publication of Investor Update for the 3rd Quarter ended 30 September 2005



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