

YTL E-SOLUTIONS BERHAD (Company No: 236137-K)
(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 30 June, 2002.

The figures have not been audited.

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR 30.6.2002 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.6.2001 RM'000	CURRENT YEAR TO DATE 30.6.2002 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.6.2001 RM'000
1. (a) Revenue	9,354	2,642	19,082	4,373
(b) Investment income	-	-	-	-
(c) Other income	810	755	2,943	3,056
2. (a) Profit before finance costs, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	5,518	652	10,101	2,414
(b) Finance costs	-	-	-	-
(c) Depreciation and amortisation	(190)	(272)	(665)	(462)
(d) Exceptional items	-	-	-	-
(e) Profit before income tax, minority interests and extraordinary items	5,328	380	9,436	1,952
(f) Share of profits of associated companies	-	-	-	-

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CONSOLIDATED INCOME STATEMENT - (Continued)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR TO	YEAR
	QUARTER	CORRESPONDING	DATE	CORRESPONDING
	30.6.2002	30.6.2001	30.6.2002	30.6.2001
	RM'000	RM'000	RM'000	RM'000
(g) Profit before income tax, minority interests and extraordinary items after share of profits of associated companies	5,328	380	9,436	1,952
(h) Income tax	(1,509)	(100)	(3,156)	(578)
(i) (i) Profit after income tax before deducting minority interests	3,819	280	6,280	1,374
(ii) Minority interests	(279)	(33)	(879)	(75)
(j) Pre-acquisition profit/(loss), if applicable	-	-	-	-
(k) Net profit from ordinary activities attributable to members of the company	3,540	247	5,401	1,299
(l) (i) Extraordinary items	-	-	-	-
(ii) Minority interests	-	-	-	-
(iii) Extraordinary items attributable to members of the company	-	-	-	-
(m) Net profit attributable to members of the company	3,540	247	5,401	1,299

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CONSOLIDATED INCOME STATEMENT - (Continued)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR TO	YEAR
	QUARTER	CORRESPONDING	DATE	CORRESPONDING
	30.6.2002	30.6.2001	30.6.2002	30.6.2001
	RM'000	RM'000	RM'000	RM'000
3. Earnings per share based on 2(m) above after deducting any provision for preference dividends, if any :-				
(i) Basic (based on ordinary shares of RM1 each)	3.41 sen	0.25 sen	5.35 sen	1.41 sen
	=====	=====	=====	=====
Based on weighted average number of ordinary shares ('000)	103,846	100,000	100,956	92,329
	=====	=====	=====	=====
(ii) Fully diluted (based on ordinary shares of RM1 each)	2.62 sen	0.25 sen	4.00 sen	1.30 sen
	=====	=====	=====	=====
Based on weighted average number of ordinary shares ('000)	135,000	100,000	135,000	100,000
	=====	=====	=====	=====

YTL E-SOLUTIONS BERHAD (Company No: 236137-K)
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**CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2002**

	AS AT END OF CURRENT QUARTER 30.6.2002 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2001 RM'000
PROPERTY, PLANT & EQUIPMENT	2,178	1,977
	-----	-----
UNQUOTED INVESTMENTS	331	331
	-----	-----
DEVELOPMENT EXPENDITURE	1,988	1,159
	-----	-----
CURRENT ASSETS		
Inventories	27	-
Trade debtors	3,270	834
Other debtors, deposits & prepayments	864	375
Inter-company balances	4,318	968
Fixed deposits	141,676	98,334
Cash & bank balances	122	296
	-----	-----
	150,277	100,807
	-----	-----
LESS : CURRENT LIABILITIES		
Trade creditors	4,054	1,604
Other creditors & accruals	1,477	507
Inter-company balances	71	81
Provision for taxation	1,619	372
	-----	-----
	7,221	2,564
	-----	-----
NET CURRENT ASSETS	143,056	98,243
	-----	-----
GOODWILL ON CONSOLIDATION	8	-
	-----	-----
	147,561	101,710
	=====	=====

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CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2002

	AS AT END OF CURRENT QUARTER 30.6.2002 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2001 RM'000
FINANCED BY :-		
SHARE CAPITAL	135,000	100,000
RESERVES		
Share premium	3,500	-
Unappropriated profits	6,727	1,326
	-----	-----
SHAREHOLDERS' FUNDS	145,227	101,326
MINORITY INTERESTS	2,017	130
OTHER LONG TERM LIABILITIES	317	254
	-----	-----
	147,561	101,710
	=====	=====
Net tangible assets per share (RM)	1.06	1.00
	=====	=====

QUARTERLY REPORT

Notes :

1. Accounting Policies

The quarterly financial statements have been prepared based on the same accounting policies and methods of computation adopted in the last annual audited financial statements under historical cost convention (unless stated otherwise in the significant accounting policies below) and in accordance with the provisions of the Companies Act, 1965 and applicable approved Accounting Standards in Malaysia.

2. Exceptional Item

During the current quarter and financial year to date, there was no exceptional item.

3. Extraordinary Item

During the current quarter and financial year to date, there was no extraordinary item.

4. Taxation

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR TO	YEAR
	CORRESPONDING	CORRESPONDING	DATE	CORRESPONDING
	QUARTER	QUARTER	DATE	PERIOD
	30.6.2002	30.6.2001	30.6.2002	30.6.2001
	RM'000	RM'000	RM'000	RM'000

Within Malaysia

Current provision	1,483	(86)	2,782	324
(Over)/Under-provision	-	-	311	-
Deferred taxation	26	186	63	254
	-----	-----	-----	-----
	1,509	100	3,156	578
	=====	=====	=====	=====

The provision for taxation for the current quarter and financial year to date reflect an effective tax rate higher than the statutory tax rate due mainly to certain income and expenses which are treated differently for tax purposes.

QUARTERLY REPORT

Notes - Continued

5. Sale of unquoted investments and/or properties

There was no sale of unquoted investments or properties during the current quarter and financial year to date.

6. Quoted Investments

There was no purchase or disposal of quoted investment during the current quarter and financial year to date. The Group does not have any quoted investments at the end of the current quarter and financial year to date.

7. Changes in the Composition of the Group

There was no material change in the composition of the Group for the current quarter and financial year to date that will materially affect the financial results and state of affairs of the Group.

8. Corporate Developments

As at the date of this announcement, there were no corporate proposals announced and pending completion.

9. Changes in Share Capital

For the current financial year to date, a total of 35,000,000 new ordinary shares of RM1 each were issued. This resulted in the increase in share capital from RM100,000,000 to RM135,000,000 at the end of financial quarter 30 June 2002.

10. Group Borrowings and Debt Securities

There were no group borrowings and debt securities during the current quarter and financial year to date.

QUARTERLY REPORT

Notes – Continued

11. Contingent Liabilities - Unsecured

There has been no material change in the contingent liabilities since the last annual balance sheet of which the following were reported :

The Company has given corporate guarantees amounting to RM300,000 to a financial institution for facility granted by the financial institution to its subsidiary as follows :-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Bankers guarantees	300	300
	=====	=====

12. Off Balance Sheet Financial Instruments

No off balance sheet financial instruments were utilised for the current financial year to date.

13. Pending Material Litigation

There was no material litigation pending as at the date of this report.

14. Segment Reporting

No segment information is prepared as the Group's activities are predominantly in one industry segment and occur predominantly in Malaysia.

QUARTERLY REPORT

Notes – Continued

15. **Comparison with Preceding Quarter**

	Current Year	
	Current Quarter 30.6.2002 RM'000	Preceding Quarter 31.3.2002 RM'000
Revenue	9,354	3,909
Consolidated profit before taxation	5,328	2,189
Consolidated profit after taxation after minority interests	3,540	703
	=====	=====

Revenue for the current quarter increased by RM5.45 million or 139% as compared to the preceding quarter. The increase in revenue was attributable to the increase in the demand for the VoIP telephony services.

The consolidated profit before taxation increased by RM3.14 million or 143% as compared to the preceding quarter and the consolidated profit after taxation after minority interests increased from RM0.70 million to RM3.54 million, which represents a increase of 404% as compared to the preceding quarter.

16. **Review of the results**

The Group registered a revenue of RM19.08 million for the current financial year to date which is 336% higher than preceding year corresponding period. The improvement in revenue is substantially contributed by the commercial roll-out of the YTL Community Portal and integrated information systems for its corporate clients and increase in the gateway traffic and continuous growth of the real time voice, video and data communications through the VoIP telephony services.

The Group registered a consolidated profit before taxation of RM9.44 million for the current financial year to date which is 383% higher than preceding year corresponding period.

17. **Subsequent Material Event**

There was no material event subsequent to the end of the current financial quarter.

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QUARTERLY REPORT

Notes - Continued

18. Seasonality or Cyclicity of Operations

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

19. Prospects

Barring unforeseen circumstances, the Group expects to achieve a satisfactory level of operating performance for the financial year ending 30 June, 2003.

20. Profit Forecast/Profit Guarantee

The Group did not issue any profit forecast during the current financial year to date.

21. Dividend

No dividend has been declared for the financial year ended 30 June 2002.

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 29 August 2002