

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the year ended 30 June 2003

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30.06.2003 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.06.2002 RM'000	CURRENT YEARTO DATE 30.06.2003 RM'000	PRECEDING YEAR ENDED 30.06.2002 RM'000
REVENUE	31,096	2,638	41,433	23,360
COST OF SALES	(13,808)	(2,472)	(22,588)	(22,315)
GROSS PROFIT	17,288	166	18,845	1,045
OTHER OPERATING INCOME	2,713	13,365	10,839	25,977
OTHER OPERATING EXPENSES	-	-	-	(143)
ADMINISTRATION EXPENSES	(3,961)	(1,476)	(8,942)	(4,717)
OPERATING PROFIT	16,040	12,055	20,742	22,162
FINANCE COSTS	-	(1)	(10)	(209)
PROFIT BEFORE TAXATION	16,040	12,054	20,732	21,953
TAXATION	1,397	7	1,107	24
NET PROFIT FOR THE PERIOD	17,437	12,061	21,839	21,977
EARNINGS PER SHARE				
Basic (Sen)	11.42	9.34	16.00	17.35
Diluted (Sen)	4.12	6.33	8.72	11.68

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2002

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT 30.06.2003 RM'000	AS AT 30.6.2002 RM'000
PROPERTY, PLANT & EQUIPMENT	36,737	30,985
	-----	-----
INVESTMENT PROPERTIES	60,379	56,766
	-----	-----
QUOTED INVESTMENT	46	-
	-----	-----
LAND & DEVELOPMENT EXPENDITURE	383,048	67,373
	-----	-----
GOODWILL ON CONSOLIDATION	12,163	-
	-----	-----
CURRENT ASSETS		
Inventories	46,185	1,396
Property development expenditure	154,509	158,313
Trade receivables	16,505	7,231
Other receivables	10,208	1,768
Fixed deposits	64,680	22,881
Cash & bank balances	5,645	11,726
	-----	-----
	297,732	203,315
	-----	-----
CURRENT LIABILITIES		
Trade payables	8,792	11,754
Other payables	65,365	52,258
Hire purchase creditor	249	3
Amount due to holding company	77	76
Amount due to related companies	53,133	22,261
Short term Borrowings	3,865	3,865
Taxation	6,286	6,387
	-----	-----
	137,767	96,604
	-----	-----
NET CURRENT ASSETS	159,965	106,711
	-----	-----
	652,338	261,835
	=====	=====

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	AS AT 30.06.2003 RM'000	AS AT 30.6.2002 RM'000
SHARE CAPITAL		
Ordinary shares	155,247	129,104
Preference shares	501,930	240,107
RESERVES		
Share premium	32,992	19,120
Accumulated losses	(285,813)	(307,652)
Treasury share, at cost	(2)	-
	-----	-----
SHAREHOLDERS' FUNDS	404,354	80,679
MINORITY INTERESTS	-	-
LONG TERM LIABILITIES		
Deferred taxation	66,064	-
Bank borrowings	110,684	112,320
Trade payable	71,236	68,836
	-----	-----
	247,984	181,156
	-----	-----
	652,338	261,835
	=====	=====
 Net tangible assets per share (RM)	 2.53	 0.62
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2002

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

	12 MONTHS ENDED 30.06.2003
	RM'000
Net cash used in operating activities	(9,183) =====
Net cash generated from investing activities	47,830 =====
Net cash generated from financing activities	3,679 =====
Net increase in cash and cash equivalents	42,326
Cash and cash equivalents at beginning of the year	27,348
Cash and cash equivalent at end of the year (note a)	----- 69,674 =====

Note (a)

Cash and cash equivalent

	RM'000
Cash and bank balances	5,645
Housing Development Account	(651) -----
	4,994
Fixed Deposit	64,680 -----
Cash and cash equivalent at end of the year	69,674 =====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2002

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2003**

	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000
As at 01 July 2002	369,211	19,120	-	(307,652)	80,679
Issues of ordinary shares	26,143	-	-	-	26,143
Issues of ICPS	280,478	-	-	-	280,478
Conversion of ICPS to ordinary shares	(18,655)	-	-	-	(18,655)
Premium upon conversion of ICPS to ordinary shares	-	13,872	-	-	13,872
Treasury shares	-	-	(2)	-	(2)
Profit for the year	-	-	-	21,839	21,839
	-----	-----	-----	-----	-----
As at 30 June 2003	<u>657,177</u>	<u>32,992</u>	<u>(2)</u>	<u>(285,813)</u>	<u>404,354</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30th June 2002

INTERIM FINANCIAL REPORT

Notes :

Disclosure requirement per MASB 26 – paragraph 16

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with MASB 26 “Interim Financial Reporting” and Chapter 9, part K of the listing Requirements of the Kuala Lumpur Stock Exchange.

The Condensed Financial Statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 30 June 2002.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest audited annual financial statements.

The following notes explain the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2002.

A2. Audit Report of preceding financial year ended 30 June 2002

The Auditors’ Reports on the financial statements of the preceding financial year were not subject to any qualification.

A3. Seasonality or Cyclicity of Operations

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

A4. Exceptional or Unusual Items

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A5. Changes in estimates of amounts reported

There was no change to estimate of amount reported in prior interim periods and prior financial years.

INTERIM FINANCIAL REPORT

Notes : - continued

A6. Changes in Debt and Equity Securities

During the current financial quarter and financial year to date, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following :

- a) During the current financial year to date, the share capital of the company increased from RM129,103,500 to RM 155,247,445 at the end of financial year ended 30 June 2003 as a result of the following :-
 - i) 4,783,460 new ordinary shares of RM1.00 each were issued pursuant to the conversion of 18,655,500 Irredeemable Convertible Preference Shares (“ICPS-A”) of RM1 each based on a conversion ratio of one (1) new ordinary share of RM1 each for every RM3.90 nominal value of ICPS-A.
 - ii) 21,360,485 ordinary shares was issued as consideration for the acquisition of property development companies pursuant to the Proposed Acquisitions as disclosed in note B8.
- b) 280,478,351 Irredeemable Convertible Preference Shares (“ICPS-B”) of RM1.00 each with a conversion ratio of one (1) new ordinary share of RM1 each for every RM1.34 nominal value of ICPS-B was issued as consideration for the acquisition of property development companies pursuant to the Proposed Acquisitions as disclosed in note B8.
- c) During the current financial quarter, the Company repurchased 1,000 of its issued ordinary shares from the open market at the price of RM1.55 per share. The purchase transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with Section 67A of the Companies Act 1965.

There was no issuance of ICPS-A to scheme creditor pursuant to the Composite Scheme of Arrangement. Total number of ICPS-A outstanding as at 30 June 2003 was 221,451,885.

A7. Dividend

No dividend has been paid for the current financial quarter ended 30 June 2003.

A8. Segment Reporting

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

INTERIM FINANCIAL REPORT

Notes : - continued

A9. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without any amendments from the previous annual financial statements.

A10. Material Events Subsequent to the end of the interim period

There were no material events subsequent to the end of the current financial quarter.

A11. Changes in the Composition of the Group

There is no change in the composition of the Group for the current financial quarter and current financial year to date except for the acquisition of 99.99% equity interest in Amanresort Sdn Bhd on 3 September 2002, and completion of the acquisition of the equity interests in the property development companies pursuant to the Proposed Acquisitions as disclosed under Note B8.

A12. Changes in Contingent Liabilities

There was no change in the contingent liabilities of the Group since the last annual balance sheet as at 30 June 2002.

INTERIM FINANCIAL REPORT

Disclosure requirement per KLSE listing requirements Part A of Appendix 9B

B1. Review of Performance

The Group's revenue for the current financial year ended 30 June 2003 increased to RM41.433 million from RM23.360 in the preceding financial year ended 30 June 2002, representing an increase of 77.37% whilst the profit before taxation decreased marginally from RM21.953 million in financial year ended 30 June 2002 to RM20.732 million in current financial year ended 30 June 2003. Included in the profit before taxation for the corresponding year ended 30 June 2002 was an exceptional item of RM10.199 million that arose from the disposal of certain subsidiary companies. Hence, at the operating level, the Group recorded an increase of 76.38% in profit before taxation of RM20.732 million for the current financial year ended 30 June 2003 as compared to RM11.754 million (after excluding the exceptional item) recorded in the preceding financial year ended 30 June 2002. Both increase in revenue and profit before taxation (after excluding the exceptional item) were mainly contributed by the newly acquired property development subsidiaries.

B2. Comparison with Preceding Quarter

	Current Quarter 30.06.2003 RM'000	Preceding Quarter 31.03.2003 RM'000
Revenue	31,096	9,899
Consolidated profit before taxation	16,040	1,285
Consolidated profit after taxation after minority interests	17,437	1,001

The Group's revenue improved from RM9.899 million in the preceding quarter to RM31.096 million during the current financial quarter ended 30 June 2003, representing an increase of 214.13%. The improvement in revenue was mainly contributed by property development companies, namely Sentul Raya Sdn Bhd and Bayumaju Development Sdn Bhd.

The Group's profit before taxation increased from RM1.285 million in the preceding quarter to RM16.040 million during the current financial quarter. The significant increase was attributed to profit recognised under the abovementioned subsidiaries.

INTERIM FINANCIAL REPORT

Notes : continued

B3. Prospects

The Group, after considering the current market condition, is expected to achieve satisfactory performance through the revival of its property development activity undertaken by Sentul Raya Sdn Bhd and the contribution from the newly acquired subsidiary companies following the Proposed Acquisitions as disclosed under Note B8.

B4. Profit Forecast

The Group did not issue any profit forecast or profit guarantee during the current financial quarter.

B5. Taxation

Tax comprises the following:-

	Current Year Quarter 30.06.2003 RM'000	Current Year To Date 30.06.2003 RM'000
Tax charged for the period	3	375
Tax refund	(1,069)	(1,069)
Deferred tax	(331)	(413)
	-----	-----
	(1,397)	(1,107)
	=====	=====

The tax charged for the Group is lower than the effective tax rate as tax losses brought forward of the respective subsidiary companies are sufficient to set-off any tax payable for the current financial year ended 30 June 2003 of such subsidiary companies.

B6. Sales of Unquoted Investment and /or Properties

There was no sale of unquoted investment or properties during the current financial quarter.

INTERIM FINANCIAL REPORT

Notes : continued

B7. Quoted Investment

a) Details of the purchase and sale of quoted securities are as follows:-

	Current Year Quarter 30.06.2003 RM'000	Current Year To Date 30.06.2003 RM'000
Purchase	-	46
Sale	-	-
	=====	=====

b) Particulars of investment in quoted securities as at 30 June 2003

	RM'000
- At cost	46
- At carrying value	46
- At market value	14
	=====

B8. Corporate Development

The Company, in the current financial quarter, completed the following proposals previously announced on 2 October 2001 and 13 December 2001 respectively :-

- (i) Acquisition of 45% equity interest in Syarikat Kemajuan Perumahan Negara Sdn. Bhd. ("SKPN") from Syarikat Pembinaan Yeoh Tiong Lay Sdn. Bhd. ("SPYTL"), a subsidiary of YTL Corporation Berhad, the holding company ("YTL Corporation");
- (ii) Acquisition of 5% equity interest in SKPN from Pemasaran Simen Negara Sdn. Bhd.;
- (iii) Acquisition of 100% equity interest in Bayumaju Development Sdn. Bhd. from YTL Corporation;
- (iv) Acquisition of 100% equity interest in Pakatan Perakbina Sdn. Bhd. ("Pakatan") from SPYTL and Dato' Hj. Mohd. Zainal Abidin Hj. Abdul Kadir;
- (v) Acquisition of 30% equity interest in Udapakat Bina Sdn. Bhd., a 70% owned subsidiary of Pakatan, from Uda Holdings Bhd.;
- (vi) Acquisition of 5% equity interest in PYP Sendirian Berhad which is 95% owned by Pakatan, from YM Dato' Raja Wahid Bin Raja Kamaralzaman;
- (vii) Issuance of irredeemable convertible preference shares at an issue price of RM1 each by the Company;
- (viii) Increase in the authorised share capital of the Company; and

INTERIM FINANCIAL REPORT

Notes : continued

(ix) Amendments to the Articles of Association of the Company;

B9. Group Borrowings and Debt Securities

The Group's borrowings from financial institutions as at end of the current financial quarter are:

	Short term RM'000	Long term RM'000	Total RM'000
Secured	-	110,684	110,684
Unsecured	3,865	-	3,865
	-----	-----	-----
	3,865	113,298	117,163
	=====	=====	=====

B10. Off Balance Sheet Financial Instruments

No off balance sheet financial instruments were utilised for the current financial quarter.

B11. Material litigation

There are claims made by third parties against Sentul Raya Sdn Bhd but the Directors of the Company are of the opinion that the claims will not materially affect the future position or business of the Group.

B12. Dividend

No dividend has been declared for the current financial quarter.

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INTERIM FINANCIAL REPORT

Notes : - continued

B13. Earnings Per Share

i) Basic earnings per share

The basic earnings per share of the Group has been computed by dividing the net profit for the financial quarter by the weighted average number of ordinary share in issue during the financial quarter, excluding treasury shares held by the Company.

	Current Quarter 30.06.2003	Preceding Year Corresponding Quarter 30.06.2002
Net profit for the quarter (RM'000)	17,437	12,061
Weighted average number of ordinary shares ('000)		
Issued at the beginning of the period	134,809	127,752
Issue of ordinary shares during the quarter	17,879	1,352
	152,688	129,104
Basic earnings per share (sen)	11.42	9.34

INTERIM FINANCIAL REPORT

Notes : - continued

B13. Earnings Per Share - continued

ii) Diluted earnings per share

The diluted earnings per share of the Group has been computed by dividing the net profit for the financial quarter by the adjusted weighted average number of ordinary share, assuming full conversion of :-

1. ICPS-A at the beginning of the financial period of 240,107,385 on a conversion of one (1) new ordinary share of RM1 each for every RM3.90 nominal value of ICPS-A.
2. ICPS-B at the beginning of the financial period of 280,478,351 on a conversion ratio of one (1) new ordinary share of RM1 each for every RM1.34 nominal value

	Current Quarter 30.06.2003	Preceding Year Corresponding Quarter 30.06.2002
Net profit for the quarter (RM'000)	17,436	12,061
Weighted average number of ordinary shares('000)		
Weighted average number of Ordinary shares ('000)	152,688	129,104
Assumed full conversion of ICPS-A and ICPS-B	270,878	61,564
Adjusted weighted average of ordinary shares	423,566	190,668
Diluted earnings per share (sen)	4.12	6.33

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 28 August 2003