

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the period ended 31 December 2003

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR TO	PRECEDING YEAR
	QUARTER	CORRESPONDING QUARTER	DATE	ENDED
	31.12.2003	31.12.2002	31.12.2003	31.12.2002
	RM'000	RM'000	RM'000	RM'000
REVENUE	22,724	205	43,681	437
COST OF SALES	(14,354)	(62)	(29,546)	(132)
GROSS PROFIT	8,370	143	14,135	305
OTHER OPERATING INCOME	3,527	2,593	4,596	5,741
ADMINISTRATION EXPENSES	(1,935)	(1,343)	(6,301)	(2,638)
OPERATING PROFIT	9,962	1,393	12,430	3,408
FINANCE COSTS	(13)	-	(22)	(1)
PROFIT BEFORE TAXATION	9,949	1,393	12,408	3,407
TAXATION	(2,314)	(4)	(2,703)	(6)
NET PROFIT FOR THE PERIOD	7,635	1,389	9,705	3,401
EARNINGS PER SHARE				
Basic (Sen)	4.90	1.07	6.24	2.63
Diluted (Sen)	1.81	0.73	2.30	1.78

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2003

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT 31.12.2003 RM'000	AS AT 30.06.2003 RM'000
PROPERTY, PLANT & EQUIPMENT	34,042	33,291
	-----	-----
INVESTMENT PROPERTIES	62,199	60,379
	-----	-----
LAND & DEVELOPMENT EXPENDITURE	378,565	377,238
	-----	-----
GOODWILL ON CONSOLIDATION	12,163	12,163
	-----	-----
CURRENT ASSETS		
Inventories	46,217	46,156
Property development expenditure	185,177	163,691
Trade receivables	18,640	17,492
Other receivables	8,772	9,927
Amount due from related companies	100	80
Fixed deposits	62,185	64,680
Cash & bank balances	5,087	5,674
	-----	-----
	326,178	307,700
	-----	-----
CURRENT LIABILITIES		
Trade payables	9,234	8,792
Other payables	71,455	67,886
Hire purchase creditor	396	83
Amount due to holding company	1	78
Amount due to related companies	63,069	53,208
Short term Borrowings	3,865	3,865
Taxation	7,935	7,432
	-----	-----
	155,955	141,344
	-----	-----
NET CURRENT ASSETS	170,223	166,356
	-----	-----
	657,192	649,427
	=====	=====

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CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	AS AT 31.12.2003 RM'000	AS AT 30.06.2003 RM'000
SHARE CAPITAL		
Ordinary shares	157,800	155,247
Preference shares	491,972	501,930
RESERVES		
Share premium	40,397	32,992
Accumulated losses	(276,973)	(286,678)
Treasury share, at cost	(262)	(2)
	-----	-----
SHAREHOLDERS' FUNDS	412,934	403,489
MINORITY INTERESTS	-	-
LONG TERM LIABILITIES		
Bank borrowings	108,781	110,684
Trade payable	69,216	68,836
Hire Purchase creditor	659	166
Deferred taxation	65,602	66,252
	-----	-----
	244,258	245,938
	-----	-----
	657,192	649,427
	=====	=====
 Net tangible assets per share (RM)	 2.54	 2.52
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2003

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2003**

	6 MONTHS ENDED	
	31.12.2003	31.12.2002
	RM'000	RM'000
Net cash generated from /(used in) operating activities	508	(15,879)
	=====	=====
Net cash used in investing activities	(1,282)	(266)
	=====	=====
Net cash generated from /(used in) financing activities	(1,349)	6,066
	=====	=====
Net decrease in cash and cash equivalents	(2,123)	(10,079)
Cash and cash equivalents at beginning of the year	68,126	27,348
	-----	-----
Cash and cash equivalent at end of the period (note a)	66,003	17,269
	=====	=====

Note (a)

Cash and cash equivalent

	31.12.2003	31.12.2002
	RM'000	RM'000
Cash and bank balances	5,087	5,180
Housing Development Account	(1,269)	(1,190)
	-----	-----
	3,818	3,990
Fixed Deposit	62,185	13,279
	-----	-----
Cash and cash equivalent at end of the year	66,003	17,269
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2003

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2003**

	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000
6 months quarter ended 31 December 2003					
As at 01 July 2003	657,177	32,992	(2)	(286,678)	403,489
Issues of ordinary shares	2,553	-	-	-	2,553
Conversion of ICPS to Ordinary shares	(9,958)	-	-	-	(9,958)
Premium upon conversion of ICPS to ordinary shares	-	7,405	-	-	7,405
Treasury shares	-	-	(260)	-	(260)
Profit for the period	-	-	-	9,705	9,705
	-----	-----	-----	-----	-----
As at 31 December 2003	<u>649,772</u>	<u>40,397</u>	<u>(262)</u>	<u>(276,973)</u>	<u>412,934</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2003 - continued**

	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000
6 months quarter ended 31 December 2002					
As at 01 July 2002	369,211	19,120	-	(307,652)	80,679
Issues of ordinary shares	1,013	-	-	-	1,013
Conversion of ICPS to Ordinary shares	(3,952)	-	-	-	(3,952)
Premium upon conversion of ICPS to ordinary shares	-	2,939	-	-	2,939
Profit for the period	-	-	-	3,401	3,401
	-----	-----	-----	-----	-----
As at 31 December 2002	366,272	22,059	-	(304,251)	84,080
	=====	=====	=====	=====	=====

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30th June 2003

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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 2003.

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 2003.

A2. Audit Report of preceding financial year ended 30 June 2003

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

Save for the following, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter and financial year to date. The outstanding debts are disclosed in Note B9.

a) Conversion of Irredeemable Convertible Preference Shares

During the current financial year to date, the share capital of the company has increased from RM155,247,445 to RM157,800,718 at the end of financial quarter ended 31 December 2003 as a result from 9,957,770 Irredeemable Convertible Preference Shares (“ICPS-A”) of RM1 each were converted into 2,553,273 new ordinary shares of RM1.00 each based on a conversion ratio of one (1) new ordinary share of RM1 each for every RM3.90 nominal value of ICPS-A.

Apart from the conversion mentioned above, there was no issuance of ICPS-A and ICPS-B during the current financial year to date. Total number of ICPS-A and ICPS-B outstanding as at 31 December 2003 were 211,494,115 and 280,478,351 respectively.

b) Treasury Shares

During the current financial year to date, the Company bought back 109,100 of its issued ordinary shares of RM 1 each from the open market for a total consideration of RM0.261 million at an average price of RM2.39 per share. The buy back transactions were financed by internally generated funds. The shares bought back are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

A7. Dividend

No dividend has been paid for the current financial quarter ended 31 December 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.

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.

INTERIM FINANCIAL REPORT

Notes : - continued

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 ended 31 December 2003 except for the acquisition of 100% equity interest in Sentul Park Management Sdn Bhd on 11 July 2003 for a total cash consideration of RM2.

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 2003, except for a corporate guarantee amounting to RM251,500,000 given to banks for credit facilities granted to the subsidiaries of the Company during the financial quarter ended 31 December 2003.

The corporate guarantees given to banks for credit facilities granted at the end of current financial quarter :-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Banking facilities	260,370 =====	116,530 =====

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

B1. Review of Performance

The Group's revenue and profit before taxation for the current financial year to date ended 31 December 2003 increased to RM43.681 million and RM12.408 million from RM0.437 million and RM3.407 million respectively in the corresponding financial period ended 31 December 2002, representing an increase of 9,895.65% and 264.19% in revenue and profit before taxation.

Included in the profit before taxation for the corresponding period ended 31 December 2002 was a write back of overprovision of losses of RM4.987 million, made in previous years in Sentul Raya Sdn Bhd. At the operating level, the Group recorded an increase of 844.37% profit before taxation of RM11.761 million for the current financial year to date ended 31 December 2003 as compared to a loss before taxation of RM1.580 million (after excluding the write back) recorded in the corresponding financial period ended 31 December 2002. Both Sentul Raya Sdn Bhd as well as the subsidiary companies acquired during last financial year ended 30 June 2003 has jointly contributed to the increase in revenue and profit before taxation.

B2. Comparison with Preceding Quarter

	Current Quarter 31.12.2003 RM'000	Preceding Quarter 30.09.2003 RM'000
Revenue	22,724	20,957
Consolidated profit before taxation	9,949	2,459
Consolidated profit after taxation after minority interests	7,635	2,070

The Group's revenue for the current financial quarter ended 31 December 2003 increased marginally to RM22.724 million from RM20.957 million in the preceding financial quarter ended 30 September 2003, representing an increase of 8.43% whilst profit before taxation increased from RM2.459 million in the preceding financial quarter to RM9.949 million in the current financial quarter ended 31 December 2003.

The increase in profit before taxation was substantially due to the better performance by PYP Sdn Bhd, a wholly owned subsidiary.

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Notes : continued

B3. Prospects

The Group, after considering the current market condition, is expected to achieve satisfactory performance for financial year ending 2004 through the revival of its property development activity undertaken by Sentul Raya Sdn Bhd and the contribution from the new subsidiary companies acquired during preceding financial year ended 30 June 2003.

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 31.12.2003 RM'000	Current Year To Date 31.12.2003 RM'000
Tax charged for the period	2,098	3,085
Under provision in prior year	233	233
Deferred tax	(17)	(615)
	-----	-----
	2,314	2,703
	=====	=====

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 quarter ended 31 December 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.

B7. Quoted Investment

During the current financial quarter, there was no purchase or disposal of quoted investment.

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Notes : continued

B8. Corporate Development

The Company had on 30 October 2003 announced the proposal for placement of up to 20,000,000 new ordinary shares of RM1.00 each in the Company to Dato' Suleiman bin Abdul Manan, the Director of the Company ("Proposed Placement"). The Proposed Placement is conditional upon the approval from the relevant authorities and shareholders 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	-	108,781	108,781
Unsecured	3,865	-	3,865
	-----	-----	-----
	3,865	108,781	112,646
	=====	=====	=====

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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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 31.12.2003	Preceding Year Corresponding Quarter 31.12.2002
Net profit for the quarter (RM'000)	7,635	1,389
Weighted average number of ordinary shares ('000)		
Issued at the beginning of the period	155,247	129,104
Issue of ordinary shares during the quarter	689	253
	<u>155,936</u>	<u>129,357</u>
Basic earnings per share (sen)	<u>4.90</u>	<u>1.07</u>

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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 in issue during the financial period of 221,451,885 on a conversion of one (1) new ordinary share of RM1 each for every RM3.90 nominal value of ICPS-A.
2. ICPS-B in issue during 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 31.12.2003	Preceding Year Corresponding Quarter 31.12.2002
Net profit for the quarter (RM'000)	7,635	1,389
Weighted average number of ordinary shares('000)		
Weighted average number of Ordinary shares ('000)	155,936	129,357
Assumed full conversion of ICPS-A and ICPS-B	266,095	61,566
Adjusted weighted average of ordinary shares	422,031	190,923
Diluted earnings per share (sen)	1.81	0.73

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 26 February 2004