

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the financial year ended 30 June 2004

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER PRECEDING YEAR		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.06.2004 RM'000	CORRESPONDING QUARTER 30.06.2003 RM'000	FOR THE YEAR ENDED 30.06.2004 RM'000	30.06.2003 RM'000
REVENUE	50,122	33,130	121,852	43,466
COST OF SALES	(33,163)	(15,206)	(84,919)	(23,985)
GROSS PROFIT	16,959	17,924	36,933	19,481
OTHER OPERATING INCOME	5,730	1,930	11,354	10,056
ADMINISTRATION EXPENSES	(2,771)	(3,993)	(10,945)	(8,974)
OPERATING PROFIT	19,918	15,861	37,342	20,563
FINANCE COSTS	(24)	10	(61)	-
PROFIT BEFORE TAXATION	19,894	15,871	37,281	20,563
TAXATION	(2,594)	701	(6,259)	411
NET PROFIT FOR THE PERIOD	17,300	16,572	31,022	20,974
EARNINGS PER SHARE				
Basic (Sen)	10.28	10.85	19.40	15.35
Diluted (Sen)	3.98	3.91	7.28	8.37

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 30.06.2004 RM'000	AS AT 30.06.2003 RM'000
PROPERTY, PLANT & EQUIPMENT	32,186	33,291
	-----	-----
INVESTMENT PROPERTIES	62,879	60,379
	-----	-----
LAND & DEVELOPMENT EXPENDITURE	378,127	377,238
	-----	-----
GOODWILL ON CONSOLIDATION	12,163	12,163
	-----	-----
CURRENT ASSETS		
Inventories	42,903	46,156
Property development expenditure	214,066	163,691
Trade receivables	22,791	17,492
Other receivables	10,179	9,927
Amount due from related companies	93	80
Fixed deposits	70,235	64,680
Cash & bank balances	6,933	5,674
	-----	-----
	367,200	307,700
	-----	-----
CURRENT LIABILITIES		
Trade payables	8,170	8,792
Other payables	56,117	67,886
Hire purchase creditor	397	83
Amount due to holding company	120	78
Amount due to related companies	100,509	53,208
Short term Borrowings	3,001	3,865
Taxation	7,635	7,432
	-----	-----
	175,949	141,344
	-----	-----
NET CURRENT ASSETS	191,251	166,356
	-----	-----
	676,606	649,427
	=====	=====

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CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	AS AT 30.06.2004 RM'000	AS AT 30.06.2003 RM'000
SHARE CAPITAL		
Ordinary shares	169,116	155,247
Preference shares	448,167	501,930
RESERVES		
Share premium	73,122	32,992
Accumulated losses	(255,656)	(286,678)
Treasury share, at cost	(262)	(2)
	-----	-----
SHAREHOLDERS' FUNDS	434,487	403,489
MINORITY INTERESTS	-	-
LONG TERM LIABILITIES		
Bank borrowings	107,640	110,684
Trade payable	69,216	68,836
Hire Purchase creditor	477	166
Deferred taxation	64,786	66,252
	-----	-----
	242,119	245,938
	-----	-----
	676,606	649,427
	=====	=====
 Net tangible assets per share (RM)	 2.50	 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 YEAR ENDED 30 JUNE 2004**

	FOR THE YEAR ENDED	
	30.06.2004	30.06.2003
	RM'000	RM'000
Net cash generated from /(used in) operating activities	10,103	(17,499)
	=====	=====
Net cash generated from investing activities	1,207	54,787
	=====	=====
Net cash generated from /(used in) financing activities	(4,222)	3,490
	=====	=====
Net increase in cash and cash equivalents	7,088	40,778
Cash and cash equivalents at beginning of the year	68,126	27,348
	-----	-----
Cash and cash equivalent at end of the period (note a)	75,214	68,126
	=====	=====

Note (a)

Cash and cash equivalent

	30.06.2004	30.06.2003
	RM'000	RM'000
Cash and bank balances	6,933	5,674
Housing Development Account	(1,954)	(2,228)
	-----	-----
	4,979	3,446
Fixed Deposit	70,235	64,680
	-----	-----
Cash and cash equivalent at end of the year	75,214	68,126
	=====	=====

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 YEAR ENDED 30 JUNE 2004**

	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000
For the year ended 30 June 2004					
As at 01 July 2003	657,177	32,992	(2)	(286,678)	403,489
Issues of ordinary shares	13,869	-	-	-	13,885
Issues of ICPS	236	-	-	-	236
Conversion of ICPS to Ordinary shares	(53,999)	-	-	-	(54,062)
Premium upon conversion of ICPS to ordinary shares	-	40,130	-	-	40,177
Treasury shares	-	-	(260)	-	(260)
Profit for the year	-	-	-	31,022	31,022
	-----	-----	-----	-----	-----
As at 30 June 2004	<u>617,283</u>	<u>73,122</u>	<u>(262)</u>	<u>(255,656)</u>	<u>434,487</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2004 - continued**

	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000
For the year ended 30 June 2003					
As at 01 July 2002	369,211	19,120	-	(307,652)	80,679
Issues of ordinary shares	21,360	-	-	-	21,360
Issues of ICPS	280,478	-	-	-	280,478
Conversion of ICPS to Ordinary shares	(13,872)	-	-	-	(13,872)
Premium upon conversion of ICPS to ordinary shares	-	13,872	-	-	13,872
Treasury shares	-	-	(2)	-	(2)
Profit for the year	-	-	-	20,974	20,974
	-----	-----	-----	-----	-----
As at 30 June 2003	657,177	32,992	(2)	(286,678)	403,489
	=====	=====	=====	=====	=====

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 Bursa Malaysia Securities Berhad.

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 RM169,116,369 at the end of financial year ended 30 June 2004 as a result of conversion of:-

- i) 53,952,350 Irredeemable Convertible Preference Shares (“ICPS-A”) of RM1 each issued at RM1.00 each into 13,833,924 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 of ICPS-A held; and
- ii) 46,900 Irredeemable Convertible Preference Shares (“ICPS-B”) of RM1 each issued at RM1.00 each into 35,000 new ordinary shares of RM1.00 each based on a conversion ratio of one (1) new ordinary share of RM1 each for every RM1.34 of ICPS-B held.

During the current financial year to date, 235,563 ICPS-A were issued to scheme creditors pursuant to the Composite Scheme of Arrangement and the total number of ICPS-A outstanding as at 30 June 2004 was 167,735,098. There was no issuance of ICPS-B during the current financial year to date and the total number of ICPS-B outstanding as at 30 June 2004 was 280,431,451.

b) Treasury Shares

During the current financial year to date, the Company purchase 109,200 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 purchased 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 30 June 2004.

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

On 1st July 2004, the Company completed the following:-

- (i) subdivision of each existing ordinary share of RM1.00 each into two (2) new ordinary shares of RM0.50 each;
- (ii) subdivision of each irredeemable convertible preference shares ("ICPS-A") of RM1.00 par value into two (2) ICPS-A of RM0.50 each;
- (iii) subdivision of each ICPS-B of RM1.00 par value into two (2) ICPS-B of RM0.50 each; and
- (iv) Amendment to the Memorandum of Association

The proforma effect of the subdivision on issued and paid-up capital, earnings per share and net tangible assets per share are as follows:-

	As at 30.06.2004	After subdivision of shares
Issued and paid -up share capital	169,116,369	338,232,738
	shares of RM1.00 each	shares of RM0.50 each
Earnings per share (basic) (sen)	19.40	9.70
Earnings per share (diluted) (sen)	7.28	3.64
Net tangible assets per share (RM)	2.50	1.25

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 year ended 30 June 2004 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.

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Notes : - continued

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 year ended 30 June 2004.

The corporate guarantees given to banks for credit facilities granted at the end of current financial year are as follows:-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Term Loan	250,000	107,640
Guarantee Facility	1,500	1,107
	-----	-----
	251,500	108,747
	=====	=====

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Disclosure requirement per Bursa Malaysia listing requirements Part A of Appendix 9B

B1. Review of Performance

The Group's revenue and profit before taxation for the current financial year ended 30 June 2004 increased to RM121.852 million and RM37.281 million from RM43.466 million and RM20.563 million respectively in the corresponding financial year ended 30 June 2003. This represents an increase of 180.34% and 81.30% in revenue and profit before taxation respectively. The increases in revenue and profit before taxation are due to the consolidation of a full year results of the subsidiaries acquired during the preceding financial year ended 30 June 2003 and the improved contribution of Sentul Raya Sdn Bhd.

Included in the profit before taxation for the financial year ended 30 June 2004 and corresponding year ended 30 June 2003 was a write back of overprovision of losses by Sentul Raya Sdn Bhd of RM0.531 million and RM7.542 million respectively. Hence, at the operating level, the Group recorded an increase of 182.24% on a profit before taxation of RM36.750 million (after excluding the write back) for the current financial year ended 30 June 2004 as compared to profit before taxation of RM13.021 million (after excluding the write back) recorded in the corresponding financial year ended 30 June 2003.

B2. Comparison with Preceding Quarter

	Current Quarter 30.06.2004 RM'000	Preceding Quarter 31.03.2004 RM'000
Revenue	50,122	28,050
Consolidated profit before taxation	19,894	4,979
Consolidated profit after taxation after minority interests	17,300	4,017

The Group's revenue and profit before taxation for the current financial quarter ended 30 June 2004 increased to RM50.122 million and RM19.894 million from RM28.050 million and RM4.979 million in the preceding financial quarter ended 31 March 2004. This represents an increase of 78.69% and 299.56% in revenue and profit before taxation respectively.

The increase in revenue and profit before taxation were substantially contributed by Sentul Raya Sdn Bhd, via its newly launched development project.

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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 2005 through the property development activities undertaken by Sentul Raya Sdn Bhd other subsidiary companies.

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 30.06.2004 RM'000	Current Year To Date 30.06.2004 RM'000
Tax charged for the year	2,721	7,481
Under/(over) provision in prior year	(35)	209
Deferred tax	(92)	(1,431)
	-----	-----
	<u>2,594</u>	<u>6,259</u>

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 2004 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

On 30 October 2003, the Company 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"). Approval of the Securities Commission was received vide its letter dated 25 February 2004.

On 11th June 2004, the SC has vide its letter dated 8 June 2004, approved the revision to the terms of approval for the Proposed Placement of up to 40,000,000 new ordinary shares of RM0.50 each, as opposed to up to 20,000,000 new ordinary shares of RM1.00 each as approved earlier.

Approval of shareholders was obtained on 8 June 2004. The Proposed Placement is now pending implementation.

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	-	107,640	107,640
Unsecured	3,001	-	3,001
	-----	-----	-----
	3,001	107,640	110,641
	=====	=====	=====

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.

INTERIM FINANCIAL REPORT

Notes : continued

B12. Dividend

No dividend has been declared for the current financial quarter.

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 30.06.2004	Preceding Year Corresponding Quarter 30.06.2003
Net profit for the quarter (RM'000)	17,300 =====	16,572 =====
Weighted average number of ordinary shares ('000)		
Issued at the beginning of the period	160,388	134,809
Issue of ordinary shares during the quarter	7,830 -----	17,879 -----
	168,218 =====	152,688 =====
Basic earnings per share (sen)	10.28 =====	10.85 =====

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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 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 30.06.2004	Preceding Year Corresponding Quarter 30.06.2003
Net profit for the quarter (RM'000)	17,300	16,572
Weighted average number of ordinary shares('000)		
Weighted average number of Ordinary shares ('000)	168,218	152,688
Assumed full conversion of ICPS-A and ICPS-B	266,095	270,878
Adjusted weighted average of ordinary shares	434,313	423,566
Diluted earnings per share (sen)	3.98	3.91

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 26 August 2004.