

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the financial period ended 30 September 2006.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.09.2006 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2005 RM'000	CURRENT YEAR TO DATE 30.09.2006 RM'000	PRECEDING YEAR TO DATE 30.09.2005 RM'000
REVENUE	24,009	33,486	24,009	33,486
COST OF SALES	(18,987)	(24,517)	(18,987)	(24,517)
GROSS PROFIT	5,022	8,969	5,022	8,969
OTHER OPERATING INCOME	4,370	2,285	4,370	2,285
OTHER OPERATING EXPENSES	(5,614)	(3,922)	(5,614)	(3,922)
PROFIT FROM OPERATIONS	3,778	7,332	3,778	7,332
FINANCE COSTS	(314)	(513)	(314)	(513)
PROFIT BEFORE TAXATION	3,464	6,819	3,464	6,819
TAXATION	(520)	(1,243)	(520)	(1,243)
PROFIT FOR THE PERIOD	2,944	5,576	2,944	5,576
ATTRIBUTABLE TO:				
SHAREHOLDERS	2,944	5,576	2,944	5,576
PROFIT FOR THE PERIOD	2,944	5,576	2,944	5,576
EARNINGS PER 50 SEN SHARE				
Basic/Diluted (Sen)	0.35	0.66	0.35	0.66

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2006

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

	AS AT 30.09.2006 RM'000	AS AT 30.06.2006 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	36,840	34,955
Investment properties	82,882	82,882
Land & development expenditure	397,847	398,609
Goodwill on consolidation	12,183	12,183
	-----	-----
	529,752	528,629
	-----	-----
CURRENT ASSETS		
Inventories	51,179	54,424
Property development expenditure	155,688	177,669
Trade receivables	47,653	38,924
Other receivables	16,231	15,332
Amount due from related companies	615	717
Fixed deposits	100,403	95,526
Cash & bank balances	10,533	10,404
	-----	-----
	382,302	392,996
	-----	-----
TOTAL ASSETS	912,054	921,625
	=====	=====
EQUITY		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
SHARE CAPITAL		
Ordinary shares	177,646	177,624
Preference shares	417,480	417,566
RESERVES		
Share premium	97,846	97,782
Treasury share, at cost	(264)	(264)
Accumulated losses	(177,290)	(180,234)
	-----	-----
TOTAL EQUITY	515,418	512,474
	-----	-----

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CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	AS AT 30.09.2006 RM'000	AS AT 30.06.2006 RM'000
LIABILITIES		
NON-CURRENT LIABILITIES		
Bank borrowings	146,336	146,543
Long term liabilities	69,216	69,216
Hire purchase creditor	290	422
Deferred taxation	59,133	59,361
	-----	-----
	274,975	275,542
	-----	-----
CURRENT LIABILITIES		
Provisions	11,647	12,257
Trade payables	3,067	3,792
Other payables	31,520	23,318
Hire purchase creditor	555	597
Amount due to holding companies	491	431
Amount due to related companies	31,620	50,718
Short term Borrowings	41,870	41,870
Provision for taxation	891	626
	-----	-----
	121,661	133,609
	-----	-----
TOTAL LIABILITIES	396,636	409,151
	-----	-----
TOTAL EQUITY AND LIABILITIES	912,054	921,625
	=====	=====
 Net assets per 50 sen share (RM)	 1.45	 1.44
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2006

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

	3 MONTHS ENDED	
	30.09.2006	30.09.2005
	RM'000	RM'000
Net cash generated from operating activities	16,484	187
	=====	=====
Net cash used in investing activities	(11,040)	(2,181)
	=====	=====
Net cash used in financing activities	(438)	(752)
	=====	=====
Net increase/(decrease) in cash and cash equivalents	5,006	(2,746)
Cash and cash equivalents at beginning of the year	105,930	192,678
	-----	-----
Cash and cash equivalent at end of the period (note a)	110,936	189,932
	=====	=====

Note (a)

Cash and cash equivalent

	30.09.2006	30.09.2005
	RM'000	RM'000
Fixed Deposit	100,403	9,436
Cash and bank balances	10,533	180,496
	-----	-----
Cash and cash equivalent at end of the period	110,936	189,932
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2006

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

	<--- Attributable to equity holders of the company --->					
	<---Share Capital--->		<-Non-distributable->			
	Ordinary Shares RM'000	ICPS RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000
3 months ended 30 September 2006						
As at 01 July 2006	177,624	417,566	97,782	(264)	(180,234)	512,474
Profit for the period	-	-	-	-	2,944	2,944
Total recognised income and expenses for the period	-	-	-	-	2,944	2,944
Conversion of ICPS to Ordinary shares	22	(86)	64	-	-	-
As at 30 September 2006	<u>177,646</u>	<u>417,480</u>	<u>97,846</u>	<u>(264)</u>	<u>(177,290)</u>	<u>515,418</u>
3 months ended 30 September 2005						
As at 01 July 2005	172,225	438,622	82,125	(264)	(226,128)	466,580
Profit for the period	-	-	-	-	5,576	5,576
Total recognised income and expenses for the period	-	-	-	-	5,576	5,576
Conversion of ICPS to Ordinary shares	200	(780)	580	-	-	-
As at 30 September 2005	<u>172,425</u>	<u>437,842</u>	<u>82,705</u>	<u>(264)</u>	<u>(220,552)</u>	<u>472,156</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 2006

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Notes :

Disclosure requirement per FRS 134₂₀₀₄ – paragraph 16

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with FRS134₂₀₀₄ “Interim Financial Reporting” (formerly known as MASB 26) and Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad, except for the adoption of the following new/revised Financial Reporting Standards (FRS) effective 1 July 2006 as disclosed below:-

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events After the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

The adoption of the above FRSs does not have significant financial impact on the Group other than the effects of the following FRSs:

(a) FRS 2: Share-based payment

The Company’s holding company, YTL Corporation Berhad (“YTL Corp”), operates an equity-settled, share-based compensation plan (namely the Employee Share Option Scheme (“ESOS”) in relation to YTL Corp shares) for employees of the YTL Corp Group. As the Company is a subsidiary of YTL Corp, the eligible employees of the Company and its subsidiaries participate in the ESOS. Prior to 1 July 2006, no compensation expense was recognised in profit or loss for share options granted. With the adoption of FRS 2, the compensation expense relating to share options is recognised in profit or loss over the vesting periods of the grants with a corresponding reduction in amount due from holding company. The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by vesting date.

INTERIM FINANCIAL REPORT

Notes : - continued

The fair value of the share option is computed using a binomial model. At every balance sheet date, the Group revises its estimates of the number of share options that are expected to vest by the vesting date. Any revision of this estimate is included in profit or loss and a corresponding adjustment to amount due from holding company over the remaining vesting period.

The financial impact to the Group arising from the retrospective application of FRS 2 is not material and hence, no restatement of retained earning is performed.

For the current period under review, the application of FRS 2 has resulted in a charge of approximately RM95,000 to the income statement of the Group arising from the ESOS granted to employees of the Group.

(b) FRS 140: Investment Property

The adoption of FRS 140 has resulted in a change of accounting policy for investment properties whereby the investment property are now stated at fair value. As the investment property was completed in the financial year ended 30 June 2006, the carrying amounts approximate its fair values.

A2. Audit Report of preceding financial year ended 30 June 2006

The Auditors' Report on the financial statements of the preceding financial year was 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 as disclosed below, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter:

a) Conversion of Irredeemable Convertible Preference Shares

During the current financial quarter to date, the share capital of the company increased from RM177,624,036 of RM0.50 each to RM177,646,036 of RM0.50 each at the end of financial quarter ended 30 September 2006 as a result of the conversion of 171,600 Irredeemable Convertible Preference Shares - A ("ICPS-A") of RM0.50 each into 44,000 new ordinary shares of RM0.50 each based on a conversion ratio of one (1) new ordinary share of RM0.50 each for every 3.90 of ICPS-A of RM0.50 each held.

During the current financial quarter to date, there were no issuance of ICPS-A and ICPS-B. The total number of ICPS-A and ICPS-B outstanding as at 30 September 2006 were 274,110,778 and 560,849,502 of RM0.50 each respectively.

b) Treasury Shares

During the current financial quarter to date, the Company purchased 100 of its issued ordinary shares of RM0.50 each from the open market for a total consideration of RM81.53 at an average price of RM0.8153 per share. The buy back transaction was financed by internally generated funds. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

The outstanding debts are disclosed in Note B9.

A7. Dividend

There was no dividend paid during the current financial quarter ended 30 September 2006.

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 last annual financial statements.

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

There is no material event subsequent to the end of the interim period.

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 ended 30 September 2006.

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 2006. The corporate guarantees given to banks for credit facilities granted at the end of current financial quarter are as follows:-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Term Loan	250,000	188,206
Guarantee Facility	12,059	609
	-----	-----
	<u>262,059</u>	<u>188,815</u>

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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 quarter ended 30 September 2006 decreased to RM24.009 million and RM3.464 million from RM33.486 million and RM6.819 million respectively in the corresponding financial quarter ended 30 September 2005. This represents a decrease of 28.30% and 49.20% in revenue and profit before taxation respectively. The decline was substantially due to lower progress billings recognised from the on-going projects and change in the timing of launches of new projects.

B2. Comparison with Preceding Quarter

	Current Quarter 30.09.2006 RM'000	Preceding Quarter 30.06.2006 RM'000
Revenue	24,009	32,816
Profit before taxation	3,464	19,451
Profit after taxation	2,944	18,145

The Group's revenue and profit before taxation for the current financial quarter ended 30 September 2006 decreased from RM32.816 million and RM19.451 million to RM24.009 million and RM3.464 million in the preceding financial quarter ended 30 September 2005. This represents a decrease of 26.84% and 82.19% in revenue and profit before taxation respectively. The decrease in revenue and profit before taxation were mainly due to the reasons set out in Note B1.

B3. Prospects

The Group, after considering the current market condition and the recent sales recorded by the Group, is expected to achieve satisfactory performance for financial year ending 2007 through the property development activities undertaken by its subsidiary companies.

B4. Profit Forecast

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

INTERIM FINANCIAL REPORT

Notes : continued

B5. Taxation

Tax comprises the following:-

	Current Year Quarter 30.09.2006 RM'000	Current Year To Date 30.09.2006 RM'000
Tax charged for the period	653	653
Deferred tax	(133)	(133)
	-----	-----
	520	520
	=====	=====

The tax charged for the Group is lower than the effective tax rate as tax losses brought forward of certain subsidiary companies are sufficient to set-off any tax payable for the current financial quarter ended 30 September 2006 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.

B8. Corporate Development

There is no corporate proposal announced and pending completion at the date of this report.

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	41,870	146,336	188,206
	=====	=====	=====

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Notes : continued

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/diluted earnings per share

The basic/diluted 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, assuming full conversion of :-

1. ICPS-A in issue during the financial quarter of 274,110,778 on a conversion of one (1) new ordinary share of RM0.50 each for every RM3.90 nominal value of ICPS-A.
2. ICPS-B in issue during the financial quarter of 560,849,502 on a conversion ratio of one (1) new ordinary share of RM0.50 each for every RM1.34 nominal value.

	Current Quarter 30.09.2006	Preceding Year Corresponding Quarter 30.09.2005
Net profit for the quarter (RM'000)	2,944	5,576
Weighted average number of ordinary shares of RM0.50 each ('000):-		
Issued at the beginning of the period ('000)	351,250	344,450
Issue of ordinary shares during the quarter ('000)	4,021	347
	-----	-----
	355,271	344,797
Assumed full conversion of ICPS-A and ICPS-B ('000)	488,829	499,671
	-----	-----
Adjusted weighted average of ordinary shares ('000)	844,100	844,468
	=====	=====
Basic/diluted earnings per 50 sen share (sen)	0.35	0.66
	=====	=====

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated :23 November 2006