

**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 2008.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD	PRECEDING PERIOD	CURRENT YEAR TO	PRECEDING YEAR TO
	QUARTER 30.06.2008 RM'000	CORRESPONDING QUARTER 30.06.2007 RM'000	DATE 30.06.2008 RM'000	DATE 30.06.2007 RM'000
<b>REVENUE</b>	82,304	135,455	333,195	223,643
<b>COST OF SALES</b>	(74,195)	(118,443)	(296,390)	(188,976)
<b>GROSS PROFIT</b>	8,109	17,012	36,805	34,667
<b>OTHER OPERATING INCOME</b>	2,212	3,537	7,992	13,447
<b>OTHER OPERATING EXPENSES</b>	(8,161)	(7,248)	(25,996)	(21,272)
<b>PROFIT FROM OPERATIONS</b>	2,160	13,301	18,801	26,842
<b>FINANCE COSTS</b>	(298)	(296)	(1,129)	(1,204)
<b>PROFIT BEFORE TAXATION</b>	1,862	13,005	17,672	25,638
<b>TAXATION</b>	792	(12)	(3,767)	(1,575)
<b>PROFIT FOR THE PERIOD/YEAR</b>	2,654	12,993	13,905	24,063
<b>ATTRIBUTABLE TO:</b>				
SHAREHOLDERS	2,841	8,436	10,871	19,506
MINORITY INTEREST	(187)	4,557	3034	4,557
<b>PROFIT FOR THE PERIOD/YEAR</b>	2,654	12,993	13,905	24,063
<b>EARNINGS PER 50 SEN SHARE</b>				
<b>Basic (per 50 sen share)(sen):-</b>				
• Before mandatory conversion of ICPS-A & ICPS-B	0.36	2.19	2.16	5.39
• After mandatory conversion of ICPS-A & ICPS-B	0.34	1.01	1.98	2.39
<b>Diluted (per 50 sen share) (sen)</b>	0.34	1.01	1.98	2.39

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30<sup>th</sup> June 2007 and the accompanying explanatory notes attached to the interim financial statements

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

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>UNAUDITED AS AT 30.06.2008  RM'000</b>	<b>AUDITED AS AT 30.06.2007 (RESTATED) RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	35,496	35,461
Investment properties	28,623	28,600
Land & development expenditure	483,849	462,142
Prepaid land lease payment	47	51
Goodwill on consolidation	12,183	12,183
Deferred tax asset	-	710
	<u>560,198</u>	<u>539,147</u>
<b>CURRENT ASSETS</b>		
Inventories	56,337	74,439
Property development expenditure	142,634	118,683
Trade receivables	39,415	83,751
Other receivables	12,880	12,797
Amount due from related companies	4,803	833
Fixed deposits	112,521	111,530
Cash & bank balances	3,436	10,407
	<u>372,026</u>	<u>412,440</u>
<b>TOTAL ASSETS</b>	<u>932,224</u>	<u>951,587</u>
<b>EQUITY</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		
<b>SHARE CAPITAL</b>		
Ordinary shares	398,280	195,471
Preference shares	92,746	374,287
<b>RESERVES</b>		
Share premium	201,946	123,214
Treasury share, at cost	(22,199)	(16,797)
Accumulated losses	(144,635)	(155,506)
	<u>526,138</u>	<u>520,669</u>
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	<u>526,138</u>	<u>520,669</u>
<b>MINORITY INTEREST</b>	7,591	4,557
	<u>533,729</u>	<u>525,226</u>
<b>TOTAL EQUITY</b>	<u>533,729</u>	<u>525,226</u>

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

**CONDENSED CONSOLIDATED BALANCE SHEETS - continued**

	<b>UNAUDITED AS AT 30.06.2008  RM'000</b>	<b>AUDITED AS AT 30.06.2007 (RESTATED) RM'000</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	194,000	204,000
Long term liabilities	67,696	69,216
Hire purchase creditors	58	92
Deferred tax liabilities	56,239	57,866
	-----	-----
	317,993	331,174
	-----	-----
<b>CURRENT LIABILITIES</b>		
Provisions	10,603	10,837
Trade payables	24,212	28,736
Other payables	7,482	13,590
Hire purchase creditors	481	419
Amount due to holding companies	649	746
Amount due to related companies	34,657	40,353
Provision for taxation	2,418	506
	-----	-----
	80,502	95,187
	-----	-----
<b>TOTAL LIABILITIES</b>	<b>398,495</b>	<b>426,361</b>
	-----	-----
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>932,224</b>	<b>951,587</b>
	=====	=====
 Net assets per 50 sen share (RM)	 0.67	 1.38
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30<sup>th</sup> June 2007 and the accompanying explanatory notes attached to the interim financial statements

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

	<b>12 MONTHS ENDED</b>	
	<b>30.06.2008</b>	<b>30.06.2007</b>
	<b>RM'000</b>	<b>RM'000</b>
Net cash generated from operating activities	31,242	20,653
	=====	=====
Net cash used in investing activities	(20,897)	(1,834)
	=====	=====
Net cash used in financing activities	(16,325)	(2,812)
	=====	=====
Net (decrease)/increase in cash and cash equivalents	(5,980)	16,007
Cash and cash equivalents at beginning of the year	121,937	105,930
	-----	-----
Cash and cash equivalent at end of the year (note a)	115,957	121,937
	=====	=====

**Note (a)**

Cash and cash equivalent

	<b>30.06.2008</b>	<b>30.06.2007</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed Deposit	112,521	111,530
Cash and bank balances	3,436	10,407
	-----	-----
Cash and cash equivalent at end of the year	115,957	121,937
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30<sup>th</sup> June 2007 and the accompanying explanatory notes attached to the interim financial statements

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

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

	<----- 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	Minority Interest RM'000	Grand Total RM'000
<b>12 months ended 30 June 2008</b>								
As at 01 July 2007	195,471	374,287	123,214	(16,797)	(155,506)	520,669	4,557	525,226
Profit for the year	-	-	-	-	10,871	10,871	3,034	13,905
Total recognised income and expenses for the year	-	-	-	-	10,871	10,871	3,034	13,905
Conversion of ICPS to Ordinary shares	202,809	(281,541)	78,732	-	-	-	-	-
Share repurchased	-	-	-	(5,402)	-	(5,402)	-	(5,402)
As at 30 June 2008	398,280	92,746	201,946	(22,199)	(144,635)	526,138	7,591	533,729
<b>12 months ended 30 June 2007</b>								
As at 01 July 2006	177,624	417,566	97,782	(264)	(180,234)	512,474	-	512,474
Adoption of FRS 140	-	-	-	-	5,222	5,222	-	5,222
	177,624	417,566	97,782	(264)	(175,012)	517,696	-	517,696
Profit for the year	-	-	-	-	19,506	19,506	4,557	24,063
Total recognised income and expenses for the year	-	-	-	-	19,506	19,506	4,557	24,063
Conversion of ICPS to Ordinary shares	17,847	(43,279)	25,432	-	-	-	-	-
Share repurchased	-	-	-	(16,533)	-	(16,533)	-	(16,533)
As at 30 June 2007	195,471	374,287	123,214	(16,797)	(155,506)	520,669	4,557	525,226

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30<sup>th</sup> June 2007 and the accompanying explanatory notes attached to the interim financial statements

## **INTERIM FINANCIAL REPORT**

**Notes :**

### **Disclosure requirement per FRS 134 – paragraph 16**

#### **A1. Accounting Policies**

The interim financial report is unaudited and has been prepared in accordance with FRS134 “Interim Financial Reporting” (formerly known as FRS134<sub>2004</sub>) and Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), except for the adoption of the following new/revised Financial Reporting Standards (FRS) effective 1 July 2007 which are relevant to the Group’s operations:-

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 117	Leases
FRS 118	Revenue
FRS 124	Related Party Disclosures
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

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

#### **(a) FRS 117: Leases**

Prior to 1 July 2007, leasehold land was classified as property, plant and equipments and was stated at cost less accumulated depreciation and impairment losses. Upon the adoption of the revised FRS 117 at 1 July 2007, the unamortised amount of leasehold land is now reclassified as prepaid land lease payment and amortised over the period of its remaining lease term. The reclassification has been accounted for retrospectively and the comparatives in the balance sheet have been restated.

The effects on the comparatives to the Group on adoption of FRS 117 are as follows:

	<b>Previously stated RM’000</b>	<b>Effect of changes RM’000</b>	<b>Restated RM’000</b>
<b>30 June 2007</b>			
Property, plant and equipment	35,512	(51)	35,461
Prepaid land lease payment	-	51	51
	=====	=====	=====

## **INTERIM FINANCIAL REPORT**

**Notes : - continued**

### **A2. Seasonality or Cyclicity of Operations**

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

### **A3. 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.

### **A4. Changes in estimates of amounts reported**

There was no change in estimates reported in prior interim period or financial year that have had material effects in the current quarter and financial year to date results.

### **A5. 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 or financial year to date:

#### **a) Conversion of Irredeemable Convertible Preference Shares**

During the financial year ended 30 June 2008, the share capital of the Company increased from RM195,471,256 to RM398,279,587 as a result of the conversion of 29,790,726 Irredeemable Convertible Preference Shares - A ("ICPS-A") of RM0.50 each into 7,638,635 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 and the mandatory conversion of 533,290,580 Irredeemable Convertible Preference Shares - B ("ICPS-B") of RM0.50 each into 397,978,027 new ordinary shares of RM0.50 each based on a conversion ratio of one (1) new ordinary share of RM0.50 each for every 1.34 of ICPS-B of RM0.50 each.

During the current financial quarter to date, there was no additional issuance of ICPS-A and ICPS-B. The total number of ICPS-A outstanding as at 30 June 2008 was 185,492,110 of RM0.50 each.

#### **b) Treasury Shares**

There was no share repurchased during the current financial quarter. The Company repurchased a total of 2,657,600 ordinary shares of its issued share capital from the open market during the current financial year at an average cost of RM2.0333 per share. The total consideration paid, including transaction costs for the share buy-back during the current financial year ended 30 June 2008 was RM5,403,646.89. The repurchase 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.

The outstanding debts are disclosed in Note B9.

**INTERIM FINANCIAL REPORT**

Notes : - continued

**A6. Dividend Paid**

There was no dividend paid during the current financial year ended 30 June 2008.

**A7. Segment Reporting**

The Group's segmental report for the year ended 30 June 2008 was as follows:-

	Construction* RM'000	Property Development RM'000	Total RM'000
<b>Revenue</b>	193,174	140,021	333,195
	-----	-----	-----
<b>Results</b>			
Profit from Operations	3,547	15,254	18,801
	-----	-----	
Finance cost			(1,129)
			-----
Profit before taxation			17,672
			-----
Taxation			(3,767)
			-----
<b>Profit for the year</b>			<u>13,905</u>
			=====

\* The duration of the construction project is for a period of 30 months.

The Group's segmental report for the year ended 30 June 2007 was as follows:-

	Construction RM'000	Property Development RM'000	Total RM'000
<b>Revenue</b>	72,368	151,275	223,643
	-----	-----	-----
<b>Results</b>			
Profit from Operations	1,329	25,513	26,842
	-----	-----	
Finance cost			(1,204)
			-----
Profit before taxation			25,638
			-----
Taxation			(1,575)
			-----
<b>Profit for the year</b>			<u>24,063</u>
			=====



**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**A8. Material Events Subsequent to the end of the interim period**

There was no item, transaction or event of a material or unusual in nature subsequent to the end of the interim period.

**A9. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current financial year ended 30 June 2008.

**A10. Changes in Contingent Liabilities**

There was no significant change in the contingent liabilities of the Group since the last annual balance sheet as at 30 June 2007. The corporate guarantees given to banks for credit facilities granted at the end of the current financial quarter are as follows:-

	<b>Total Amount Guaranteed RM'000</b>	<b>Amount Utilised RM'000</b>
Term Loan	204,000	194,000
Guarantee Facility	47,978	37,186
	-----	-----
	251,978	231,186
	=====	=====

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## **INTERIM FINANCIAL REPORT**

### **Disclosure requirement per Bursa Securities' Listing Requirements Part A of Appendix 9B**

#### **B1. Review of Performance**

The Group revenue and profit before taxation for the current financial quarter ended 30 June 2008 decreased to RM82.304 million and RM1.862 million respectively from RM135.455 million and RM13.005 million respectively reported in the corresponding quarter ended 30 June 2007. This represents a decrease of 39.24% and 85.68% in revenue and profit before taxation respectively. The decrease in the Group revenue and profit before taxation during the quarter under review was substantially due to lower progress recognition of a construction project undertaken by Sentul Raya Sdn Bhd, increased operating costs incurred and lower other operating income receivable.

On a cumulative twelve months basis, the Group revenue for the current financial year ended 30 June 2008 increased to RM333.195 million from RM223.643 million reported in the corresponding financial year ended 30 June 2007, representing an increase of 48.99% in revenue whilst the Group profit before taxation decreased to RM17.672 million from RM25.638 million, representing a decrease of 31.07% as compared to the corresponding year ended 30 June 2007. The increase in revenue was mainly contributed by The Centrio under the Pantai Hill Park project undertaken by Syarikat Kemajuan Perumahan Negara Sdn Bhd and the full year progress recognition of a construction project undertaken by Sentul Raya Sdn Bhd whilst the decrease in profit before taxation was substantially due to increased operating costs incurred and lower other operating income receivable during the year.

#### **B2. Comparison with Preceding Quarter**

	<b>Current Quarter 30.06.2008 RM'000</b>	<b>Preceding Quarter 31.03.2008 RM'000</b>
Revenue	82,304	76,055
Profit before taxation	1,862	4,345
Profit after taxation and minority interest	2,841	1,594

The Group revenue for the current financial quarter ended 30 June 2008 increased to RM82.304 million from RM76.055 million reported in the preceding financial quarter ended 31 March 2008, representing an increase of 8.22% in revenue, whilst the Group profit before taxation decreased to RM1.862 million from RM4.345 million, representing a decrease of 57.15% as compared to the preceding financial quarter ended 31 March 2008. The increase in the Group revenue was contributed by sales of completed units from Lake Edge project undertaken by Pakatan Perakbina Sdn Bhd and the progress recognition of a construction project undertaken by Sentul Raya Sdn Bhd whilst the decrease in profit before taxation was mainly due to increased operating costs incurred and lower other operating income receivable during the quarter under review.

#### **B3. Audit Report of preceding financial year ended 30 June 2007**

The Auditors' Report on the financial statements of the preceding financial year was not subject to any qualification.

**INTERIM FINANCIAL REPORT**

**Notes : continued**

**B4. Prospects**

The Group, after considering the market condition, the recent sales recorded and forthcoming new launches of the property projects, is expected to achieve satisfactory performance for financial year ending 2009.

**B5. Profit Forecast**

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

**B6. Taxation**

Tax comprises the following:-

	<b>Current Quarter 30.06.2008 RM'000</b>	<b>Current Year To Date 30.06.2008 RM'000</b>
Tax charged for the period/year	1,994	6,611
Overprovision of taxation in prior year	(2,138)	(2,023)
Deferred tax	(648)	(821)
	-----	-----
	(792)	3,767
	=====	=====

The Group's provision for taxation for the financial year ended 30 June 2008 reflected a lower effective tax rate compared to the statutory tax rate. The lower effective tax rate of 21.32% was largely due to overprovision of taxation by the Company in the preceding financial year.

**B7. Sales of Unquoted Investment and /or Properties**

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

**B8. Quoted Investment**

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

**B9. Corporate Proposals**

There were no corporate proposals announced and pending completion at the date of this report.

**INTERIM FINANCIAL REPORT**

**Notes : continued**

**B10. Group Borrowings and Debt Securities**

The Group's bank borrowing of RM194 million as at end of the current financial year, bears interest at 0.75% per annum above the bank's cost of fund:

	<b>Long term RM'000</b>	<b>Total RM'000</b>
Term loan – Unsecured	194,000	194,000

**B11. Off Balance Sheet Financial Instruments**

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

**B12. Material litigation**

There were 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.

**B13. Dividend Payable**

No dividend has been recommended for the current financial quarter.

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**INTERIM FINANCIAL REPORT**

Notes : continued

**B14. Earnings Per Share**

- **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 shares in issue during the financial quarter, excluding treasury shares held by the Company, assuming full conversion of 185,492,110 ICPS-A in issue at the end of the financial quarter at a conversion ratio of one (1) new ordinary share of RM0.50 each for every 3.90 of ICPS-A of 50 sen nominal value:-

	<b>Current Quarter 30.06.2008</b>	<b>Preceding Year Corresponding Quarter 30.06.2007</b>
Net profit for the quarter (RM'000)	2,841	8,436
Weighted average number of ordinary shares of RM0.50 each ('000)	781,135	385,340
Assumed full conversion of ICPS-A ('000)	47,562	55,201
Assumed full conversion of ICPS-B ('000)	-	397,978
Adjusted weighted average of ordinary shares('000)	828,697	838,519
<b>Basic (per 50 sen share)(sen):-</b>		
• Before mandatory conversion of ICPS-A & ICPS-B	0.36	2.19
• After mandatory conversion of ICPS-A & ICPS-B	0.34	1.01
<b>Diluted (per 50 sen share) (sen)</b>	0.34	1.01

By Order of the Board  
HO SAY KENG  
Secretary

Kuala Lumpur  
Dated : 19 August 2008