

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. All enquiries concerning the ROS (as defined in this Prospectus), which is the subject of this Prospectus, should be addressed to our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd, at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

This Prospectus sets out the details of the renounceable offer for sale by YTL Corporation Berhad ("YTL Corp") of up to 733,079,172 warrants 2008/2018 in YTL Power International Berhad ("YTL Power") ("Offer Warrants") to the Entitled Shareholders (as defined in this Prospectus) of YTL Corp ("ROS"). This Prospectus, together with the Notice of Provisional Offer ("NPO") and Offer Acceptance Form ("OAF"), are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the ROS complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/or their renounee(s) (if applicable) residing outside Malaysia should therefore immediately consult their legal advisers as to whether the acceptance of all or part of their entitlements under the ROS would result in the contravention of any laws of such countries or jurisdictions. CIMB Investment Bank Berhad ("CIMB"), YTL Corp, YTL Power and their Directors and officers shall not accept any responsibility or liability in the event that any acceptance/application or renunciation made by any Entitled Shareholders and/or their renounee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which the said Entitled Shareholders and/or their renounee(s) (if applicable) are resident.

Approval for the ROS has been obtained from the Securities Commission Malaysia ("SC") on 29 August 2012. As the Offer Warrants are already listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"), no approval from Bursa Securities is required for the listing of and quotation for the Offer Warrants. The approval of our shareholders is also not required for the ROS.

A copy of this Prospectus, together with the NPO and OAF, has been registered by the SC. The registration of this Prospectus should not be taken to indicate that the SC recommends the ROS or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Prospectus. The SC has not, in any way considered the merits of the securities being offered for investment. A copy of this Prospectus, together with the NPO and OAF, has also been lodged with the Registrar of Companies who takes no responsibility for their contents.

This Prospectus, together with the NPO and OAF, has been seen and approved by our Directors and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statements in these documents false or misleading.

The information in this Prospectus relating to YTL Power and its subsidiaries and associate companies has been seen and approved by the Directors of YTL Power and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statements in these documents false or misleading.

CIMB, being the Principal Adviser for the ROS, acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the ROS.



SINCE 1955

YTL CORPORATION BERHAD

Company Number 92647-H
(Incorporated in Malaysia)

RENOUNCEABLE OFFER FOR SALE OF UP TO 733,079,172 EXISTING WARRANTS 2008/2018 IN YTL POWER INTERNATIONAL BERHAD ("OFFER WARRANTS") BY YTL CORPORATION BERHAD ("YTL CORP") TO THE ENTITLED SHAREHOLDERS OF YTL CORP AT AN OFFER PRICE OF RM0.20 FOR EACH OFFER WARRANT PAYABLE IN FULL UPON ACCEPTANCE, ON THE BASIS OF 1 OFFER WARRANT FOR EVERY 15 EXISTING ORDINARY SHARES OF RM0.10 EACH HELD IN YTL CORP AT 5.00 P.M. ON 2 OCTOBER 2012

Principal Adviser



CIMB Investment Bank Berhad (18417-M)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT DATES AND TIMES

Entitlement Date	Tuesday, 2 October 2012 at 5.00 p.m.
Last day and time for the sale of Provisional Offer Warrants	Tuesday, 9 October 2012 at 5.00 p.m.
Last day and time for the transfer of Provisional Offer Warrants	Friday, 12 October 2012 at 4.00 p.m.
Last day and time for acceptance and payment	Wednesday, 17 October 2012 at 5.00 p.m.*
Last day and time for excess application and payment	Wednesday, 17 October 2012 at 5.00 p.m.*

* or such later day and time as our Board of Directors may decide and announce not less than 2 market days before the stipulated day and time.

This Prospectus is dated 2 October 2012

THE SECURITIES COMMISSION MALAYSIA (“SC”) HAS APPROVED THE ROS (AS DEFINED IN THIS PROSPECTUS). HOWEVER, THE APPROVAL OF THE SC IS NOT AN INDICATION THAT THE SC RECOMMENDS THE ROS.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF YTL CORPORATION BERHAD AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE ROS AND THE INVESTMENT. IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT, 2007 (“CMSA”).

SECURITIES LISTED ON BURSA MALAYSIA SECURITIES BERHAD ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE ROS FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

A WAIVER HAS BEEN GRANTED BY THE SC FROM THE REQUIREMENT TO COMPLY WITH THE FORMAT AND CONTENT OF THE PROSPECTUS UNDER THE PROSPECTUS GUIDELINES AND INSTEAD TO ISSUE A MODIFIED PROSPECTUS FOR THE ROS PREPARED, TO THE EXTENT POSSIBLE, BASED ON THE ABRIDGED PROSPECTUS GUIDELINES ISSUED BY THE SC.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Prospectus:

Act	:	Companies Act, 1965
Board/Directors	:	Board of Directors
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CCSB	:	Cornerstone Crest Sdn Bhd
CDS	:	Central Depository System
CIMB	:	CIMB Investment Bank Berhad
CMSA	:	Capital Markets and Services Act, 2007
Company	:	YTL Corporation Berhad
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
ElectraNet	:	ElectraNet Pty Ltd
EMA	:	Energy Market Authority, the authority responsible for regulating electricity services in designated areas in Singapore, among others
Entitled Shareholders	:	Shareholders of YTL Corp whose names appear in our Record of Depositors as at the Entitlement Date, but shall exclude the Excluded Shareholders
Entitlement Date	:	5.00 p.m. on 2 October 2012, being the date on which the shareholders of YTL Corp must be registered in our Record of Depositors in order to participate in the ROS
EPF	:	Employees Provident Fund Board
EPS	:	Earnings per share
ESOS	:	Employee share option scheme
Exchangeable Bonds	:	Outstanding USD335.6 million (as at the LPD) in nominal value of guaranteed exchangeable bonds due 2015 issued by YTL Corp Finance (Labuan) Limited, a wholly-owned subsidiary of YTL Corp, and exchangeable into new YTL Corp Shares
Excluded Shareholders	:	Persons or corporations or entities who as stated in our Record of Depositors as at the Entitlement Date: <ul style="list-style-type: none"> (i) hold YTL Corp Shares directly or indirectly through Japan Securities Depository Center, Inc; or (ii) hold such YTL Corp Shares as nominee(s) directly or indirectly for Japan Securities Depository Center, Inc; or (iii) have a registered address in any other jurisdictions outside Malaysia <p>For avoidance of doubt, in relation to (iii) above, shareholders who have provided our Company or Bursa Depository, as the case may be, with a registered address or a service address in Malaysia for the service of notices or of documents at least 5 Market Days prior to the Entitlement Date or who collect this Prospectus, NPO and OAF from our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd, at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, shall be entitled to the ROS</p>
GDP	:	Gross domestic product
GHz	:	Gigahertz

DEFINITIONS (Cont'd)

Group	:	YTL Corp and its subsidiaries
GW	:	Gigawatts
Indonesian PPA	:	Power Purchase Agreement dated 3 April 1995 between Jawa Power and PLN expiring in 2030
IPP	:	Independent power producer
Jawa Power	:	P.T. Jawa Power
LPD	:	3 September 2012, being the latest practicable date before the registration of this Prospectus with the SC
Malaysian PPA	:	Power Purchase Agreement dated 31 March 1993 between YTLPG and TNB expiring in 2015
Market Day	:	Any day between Monday and Friday, both days inclusive, which is not a public holiday and on which Bursa Securities is open for trading of securities
Maximum Scenario	:	Scenario based on the issued and paid-up share capital of YTL Corp (net of treasury shares) as at the LPD and assuming the following: <ul style="list-style-type: none"> (i) all of the outstanding Exchangeable Bonds of YTL Corp are fully exchanged; and (ii) none of the remaining YTL Corp treasury shares are resold on Bursa Securities or distributed to the shareholders of YTL Corp, prior to the Entitlement Date.
MCMC	:	Malaysian Communications and Multimedia Commission
MI	:	Minority interests
Minimum Scenario	:	Scenario based on the issued and paid-up share capital of YTL Corp (net of treasury shares) as at the LPD and assuming the following: <ul style="list-style-type: none"> (i) none of the outstanding Exchangeable Bonds of YTL Corp are exchanged; and (ii) none of the remaining YTL Corp treasury shares are resold on Bursa Securities or distributed to the shareholders of YTL Corp, prior to the Entitlement Date.
MW	:	Megawatts
NA	:	Net assets
NEMS	:	National Electricity Market of Singapore, the wholesale electricity market of Singapore
NPO	:	Notice of Provisional Offer
OAF	:	Offer Acceptance Form
Offer Price	:	RM0.20 per Offer Warrant
Offer Warrants	:	Up to 733,079,172 YTL Power Warrants to be offered by YTL Corp to the Entitled Shareholders under the ROS
Ofwat	:	Water Services Regulation Authority, the authority responsible for regulating the water and sewerage providers in England and Wales
PAT	:	Profit after taxation

DEFINITIONS (Cont'd)

PBT	:	Profit before taxation
PLN	:	P.T. Perusahaan Listrik Negara (Persero), the state-owned electricity utility company of Indonesia
PowerSeraya	:	YTL PowerSeraya Pte Limited (formerly known as PowerSeraya Limited)
Provisional Offer Warrants	:	Such number of Offer Warrants provisionally offered to an Entitled Shareholder under the ROS
ROS	:	Renounceable offer for sale of up to 733,079,172 existing YTL Power Warrants by YTL Corp to the Entitled Shareholders of YTL Corp at an offer price of RM0.20 for each Offer Warrant payable in full upon acceptance, on the basis of 1 Offer Warrant for every 15 existing YTL Corp Shares held on the Entitlement Date
Rules of Bursa Depository	:	Rules of Bursa Depository as issued under the Securities Industry (Central Depositories) Act 1991
SC	:	Securities Commission Malaysia
Section 223 Notice	:	The notice in accordance with Section 223 of the CMSA provided to the shareholders of YTL Cement who did not accept the YTL Cement Share Exchange Offer, informing them that they may exercise their rights to require YTL Industries to acquire their voting shares in YTL Cement in exchange for YTL Corp Shares on or before 13 June 2012
Share Dividend	:	Distribution of 647,539,006 treasury shares as dividends on the basis of 1 treasury share for every 15 existing YTL Corp Shares held by the entitled shareholders whose names appear in the Record of Depositors of YTL Corp on 18 June 2012. The Share Dividend was effected on 2 July 2012
Tan Sri Yeoh Tiong Lay	:	Y. Bhg. Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay
TNB	:	Tenaga Nasional Berhad
TSR	:	Transferable Subscription Rights
TYP	:	Tan & Yeoh Properties Sdn Bhd
UK	:	United Kingdom
USA	:	United States of America
VWAMP	:	Volume weighted average market price
Wessex Water	:	Wessex Water Limited
WWSL	:	Wessex Water Services Limited
YTL Cement	:	YTL Cement Berhad
YTL Cement Share Exchange Offer	:	Share exchange offer by YTL Industries, a wholly-owned subsidiary of YTL Corp, to acquire the entire equity interest and outstanding irredeemable convertible unsecured loan stocks in YTL Cement, which closed on 9 March 2012
YTL Comms	:	YTL Communications Sdn Bhd
YTL Corp	:	YTL Corporation Berhad
YTL Corp Shares	:	Ordinary shares of RM0.10 each in YTL Corp
YTL Industries	:	YTL Industries Berhad

DEFINITIONS (Cont'd)

YTL Power	:	YTL Power International Berhad
YTL Power Group	:	YTL Power and its subsidiaries
YTL Power Shares	:	Ordinary shares of RM0.50 each in YTL Power
YTL Power Warrants	:	Warrants issued by YTL Power on 12 June 2008 and expiring on 11 June 2018 which entitle the holders to subscribe for 1 new YTL Power Share for every 1 warrant held at an exercise price of RM1.21 per YTL Power Share
YTLPG	:	YTL Power Generation Sdn Bhd, a wholly-owned subsidiary of YTL Power
YTLPS	:	YTL Power Services Sdn Bhd
YTLSSH	:	Yeoh Tiong Lay & Sons Holdings Sdn Bhd

Currencies

AUD	:	Australian Dollar
CHF	:	Swiss Franc
CYP	:	Cypriot pound
EUR	:	Euro Dollar
GBP	:	British Pound
HKD	:	Hong Kong Dollar
RM and sen	:	Ringgit Malaysia and sen, respectively
SGD	:	Singapore Dollar
USD	:	United States Dollar

References to “**we**”, “**us**”, “**our**”, “**ourselves**” are to our Company, and save where the context otherwise requires, our subsidiaries. All references to “**you**” in this Prospectus are to our Entitled Shareholders.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

Any discrepancies in the tables between the amounts listed and the totals in this Prospectus are due to rounding.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

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**YTL CORPORATION BERHAD**Company Number 92647-H
(Incorporated in Malaysia)**CORPORATE DIRECTORY****BOARD OF DIRECTORS**

Name	Address	Nationality	Occupation
Y. Bhg. Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay <i>(Executive Chairman)</i>	No. 3 Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan	Malaysian	Executive Chairman
Y. Bhg. Tan Sri Dato' (Dr) Francis Yeoh Sock Ping <i>(Managing Director)</i>	No. 3 Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan	Malaysian	Managing Director
Y. Bhg. Dato' Yeoh Seok Kian <i>(Deputy Managing Director)</i>	No. 3 Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Y. Bhg. Dato' (Dr) Yahya Bin Ismail <i>(Independent Non-Executive Director)</i>	No. 3 Jalan Laksamana 12/1 40000 Shah Alam Selangor Darul Ehsan	Malaysian	Company Director
Y. Bhg. Dato' Cheong Keap Tai <i>(Independent Non-Executive Director)</i>	A 6396 Taman Makmur Lrg Alur Akar 72 25050 Kuantan Pahang Darul Makmur	Malaysian	Company Director
Y. Bhg. Dato' Yeoh Soo Min <i>(Executive Director)</i>	No. 3 Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Y. Bhg. Dato' Yeoh Seok Hong <i>(Executive Director)</i>	No. 3 Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Y. Bhg. Dato' Sri Michael Yeoh Sock Siong <i>(Executive Director)</i>	No. 3 Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Y. Bhg. Dato' Yeoh Soo Keng <i>(Executive Director)</i>	No. 3 Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director
Y. Bhg. Dato' Mark Yeoh Seok Kah <i>(Executive Director)</i>	No. 3 Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director

CORPORATE DIRECTORY (Cont'd)

Name	Address	Nationality	Occupation
Mr. Eu Peng Meng @ Leslie Eu (Independent Non-Executive Director)	No. 13 Jalan Pakat Ukay Heights 68000 Ampang Selangor Darul Ehsan	Malaysian	Company Director
Tuan Syed Abdullah Bin Syed Abd. Kadir (Executive Director)	No. 59 Lakeview Bungalows Saujana Resort Seksyen U2 40150 Shah Alam Selangor Darul Ehsan	Malaysian	Company Director
Encik Faiz Bin Ishak (Independent Non-Executive Director)	D-3-1, No. 2 Jalan Tijani 2 Tijani 2 Bukit Tunku 50480 Kuala Lumpur	Malaysian	Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Mr. Eu Peng Meng @ Leslie Eu	Chairman	Independent Non-Executive Director
Y. Bhg. Dato' (Dr) Yahya Bin Ismail	Member	Independent Non-Executive Director
Y. Bhg. Dato' Cheong Keap Tai	Member	Independent Non-Executive Director

COMPANY SECRETARY : Ho Say Keng
(MIA Membership No.: 3708)
11th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur

REGISTERED OFFICE : 11th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur
Tel.: 603-2117 0088
Website: www.ytl.com.my

BUSINESS OFFICE : 11th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur
Tel.: 603-2117 0088
Email: ctrl@ytl.com.my

PRINCIPAL BANKERS : Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad
Level 9-11 Menara IMC
8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel.: 603-2034 8000

: Citibank Berhad
Menara Citibank
165, Jalan Ampang
50450 Kuala Lumpur
Tel.: 603-2380 1111

CORPORATE DIRECTORY (Cont'd)

- : HSBC Bank Malaysia Berhad
2, Leboh Ampang
50100 Kuala Lumpur
Tel.: 603-2070 0744
- : Malayan Banking Berhad
Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel.: 603-2070 8833
- : OCBC Bank (Malaysia) Berhad
Menara OCBC
18, Jalan Tun Perak
50050 Kuala Lumpur
Tel.: 603-2034 5034
- : Standard Chartered Bank Malaysia Berhad
Level 16, Menara Standard Chartered
30, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel.: 603-2781 7013
- SHARE REGISTRAR** : YTL Corporation Berhad
11th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur
Tel.: 603-2117 0088
- SPECIAL SHARE REGISTRAR FOR THE ROS** : Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel.: 603-2264 3883
- AUDITORS AND REPORTING ACCOUNTANTS (YTL CORP)** : HLB Ler Lum
Chartered Accountants
(A member of HLB International)
2nd and 3rd Floor, Bangunan Yeoh
35 & 37, Jalan Kamunting
50300 Kuala Lumpur
Tel.: 603-2691 5737
- AUDITORS (YTL POWER)** : PricewaterhouseCoopers
Level 10, 1 Sentral, Jalan Travers
Kuala Lumpur Sentral, P.O. Box 10192
50706 Kuala Lumpur
Tel.: 603-2693 1077
- SOLICITORS FOR THE ROS** : Lee, Perara & Tan
55, Jalan Thambapillai
Off Jalan Tun Sambanthan
Brickfields
50470 Kuala Lumpur
Tel.: 603-2273 4307
- PRINCIPAL ADVISER** : CIMB Investment Bank Berhad
5th Floor, Bangunan CIMB
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
Tel.: 603-2084 8888

CORPORATE DIRECTORY (Cont'd)

STOCK EXCHANGE LISTING (YTL CORP) : Main Market of Bursa Securities
Foreign Section of Tokyo Stock Exchange

STOCK EXCHANGE LISTING (YTL POWER) : Main Market of Bursa Securities

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YTL CORPORATION BERHAD
Company Number 92647-H
(Incorporated in Malaysia)

Registered Office:

11th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur

2 October 2012

To: Our shareholders

Dear Sir/Madam

RENOUNCEABLE OFFER FOR SALE OF UP TO 733,079,172 EXISTING WARRANTS 2008/2018 IN YTL POWER INTERNATIONAL BERHAD ("OFFER WARRANTS") BY YTL CORPORATION BERHAD ("YTL CORP") TO THE ENTITLED SHAREHOLDERS OF YTL CORP AT AN OFFER PRICE OF RM0.20 FOR EACH OFFER WARRANT PAYABLE IN FULL UPON ACCEPTANCE, ON THE BASIS OF 1 OFFER WARRANT FOR EVERY 15 EXISTING ORDINARY SHARES OF RM0.10 EACH HELD IN YTL CORP AT 5.00 P.M. ON 2 OCTOBER 2012

1. INTRODUCTION

1.1 On 29 May 2012, CIMB announced on behalf of our Company that we propose to undertake a renounceable offer for sale of part of our holdings of YTL Power Warrants to our shareholders on a date to be determined by our Board and announced later.

1.2 On 30 August 2012, CIMB announced on behalf of our Company that the SC has in its letter dated 29 August 2012 approved the ROS subject to our Company and CIMB fully complying with the relevant requirements under the Equity Guidelines issued by the SC pertaining to the implementation of the ROS.

In addition, the SC has approved the application made by CIMB on behalf of our Company to issue a prospectus for the ROS based on the format and content under the Prospectus Guidelines for Abridged Prospectus.

1.3 On 18 September 2012, CIMB announced on behalf of our Company, the Entitlement Date and other relevant dates pertaining to the ROS.

No person is authorised to give any information or to make any representation not contained in this Prospectus in connection with the ROS and if given or made, such information or representation must not be relied upon as having been authorised by our Company or CIMB.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

2. DETAILS OF THE ROS

2.1 Introduction

The ROS entails the offer for sale of up to 733,079,172 Offer Warrants by YTL Corp to Entitled Shareholders on a renounceable basis at an offer price of RM0.20 for each Offer Warrant payable in full upon acceptance, on the basis of 1 Offer Warrant for every 15 existing YTL Corp Shares held on the Entitlement Date.

For illustration purposes, the number of Offer Warrants to be offered to the Entitled Shareholders of our Company under the Minimum Scenario and Maximum Scenario is as follows:

	No. of YTL Corp Shares	
	Minimum Scenario	Maximum Scenario
As at the LPD:		
Issued and paid-up share capital	10,616,871,993	10,616,871,993
No. of treasury shares	<u>(239,754,539)</u>	<u>(239,754,539)</u>
	10,377,117,454	10,377,117,454
Assumed shares issued arising from the full exchange of the Exchangeable Bonds	-	<u>619,070,133</u>
Enlarged share capital (excluding treasury shares)	<u>10,377,117,454</u>	<u>10,996,187,587</u>
No. of Offer Warrants offered under the ROS	691,807,830	733,079,172

The Offer Warrants have been provisionally offered to you, being an Entitled Shareholder of our Company. You will find enclosed with this Prospectus, an NPO notifying you of the crediting of such Provisional Offer Warrants into your CDS account and an OAF to enable you to accept the Provisional Offer Warrants.

In addition to taking up your respective entitlements under the ROS, you may apply for additional Offer Warrants under excess applications.

You may renounce your rights by way of sale or transfer in full or part of the Provisional Offer Warrants. A renounee or transferee who has acquired the Provisional Offer Warrants must obtain a copy of the OAF to subscribe for their entitlements in accordance with the terms contained therein. Offer Warrants which are not validly taken up or which are not allotted for any reason whatsoever will be made available for excess applications.

In determining the entitlement of the Entitled Shareholders under the ROS, any fractional entitlements will be dealt with in such manner as our Directors in their absolute discretion deem fit and expedient and in the best interest of our Company. It is the intention of our Directors to allocate the Offer Warrants available for excess applications in such a manner as set out in Section 2.4 of this Prospectus and if undersubscribed, these Offer Warrants will be retained by our Company.

Any dealings in the Offer Warrants will be subject to the Securities Industry (Central Depositories) Act 1991, Securities Industry (Central Depositories) Amendment Act 1998 and the Rules of Bursa Depository save and except where it is specifically exempted from compliance with Section 38 of the Securities Industry (Central Depositories) Act 1991. Accordingly, the Offer Warrants will be credited directly into your CDS account. **No physical warrant certificates will be issued for the Offer Warrants.**

However, within 8 Market Days from the last day and time for acceptance and payment for the Offer Warrants or such other period as may be prescribed by Bursa Securities, we will dispatch notices of allotment to the successful Entitled Shareholders and/or their renounee(s) (if applicable) who accepted or subscribed for their entitlement to the Offer Warrants.

The Offer Warrants will be offered to the Entitled Shareholders free from all liens, pledges, charges, mortgages and other encumbrances and with all rights and entitlements attached.

2.2 Basis of arriving at the Offer Price

The offer price of RM0.20 for each Offer Warrant was arrived at after taking into consideration the following:

- (i) the 5-day VWAMP of YTL Power Warrants traded on Bursa Securities up to 28 May 2012 (being the last trading day prior to the announcement of the ROS) of RM0.43; and
- (ii) our average cost of investment of RM0.1185 per YTL Power Warrant, which was incurred between 15 May 2008 and 19 June 2008.

The Offer Price represents a discount of 53.49% to the 5-day VWAMP of YTL Power Warrants up to 28 May 2012, being the last trading day immediately prior to the announcement of the ROS. However, the Offer Price is at a premium of 68.78% to our average cost of investment.

For a more recent comparison, the Offer Price represents a discount of 62.26% to the 5-day VWAMP of YTL Power Warrants up to the LPD of RM0.53.

Entitled Shareholders and/or their renounee(s) (if applicable) should note that the market price of YTL Power Warrants is subject to vagaries of market forces and other uncertainties in addition to the investment risk considerations set out in Section 4 of this Prospectus, which may affect the price of YTL Power Warrants being traded. **Entitled Shareholders and/or their renounee(s) (if applicable) should form their own views on the valuation of the Offer Warrants before deciding to invest in the Offer Warrants.**

2.3 Salient terms of the YTL Power Warrants

Issuer	:	YTL Power
Total number of YTL Power Warrants outstanding as at the LPD	:	1,169,089,711 YTL Power Warrants.
Issue Date	:	12 June 2008.
Expiry Date	:	11 June 2018.
Exercise Price	:	RM1.21 per YTL Power Share, subject to adjustments in accordance with the terms of the Deed Poll.
Exercise Rights	:	Subject to the provisions in the Deed Poll, each YTL Power Warrant will entitle the registered holder to subscribe for one new YTL Power Share during the Exercise Period at the Exercise Price.
Exercise Period	:	Ten years commencing on and including the Issue Date. The YTL Power Warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid.
Mode of exercise	:	The registered holder of the YTL Power Warrants shall pay cash for the Exercise Price when subscribing for new YTL Power Shares.
Status of new YTL Power Shares arising from the exercise of the YTL Power Warrants	:	<p>The new YTL Power Shares to be issued pursuant to the exercise of the Offer Warrants will, upon allotment and issue, rank <i>pari passu</i> in all respects with the then existing YTL Power Shares, save and except that the holders of the new YTL Power Shares shall not be entitled to any dividends, rights, allotment and/or other distributions if the relevant exercise date occurs less than 7 market days prior to the entitlement date of such dividends, rights, allotment and/or other distributions.</p> <p>There is only one class of shares in YTL Power, being ordinary shares of RM0.50 each, all of which rank equally in all respects with one another.</p>
Deed Poll	:	The deed poll dated 5 May 2008 executed by YTL Power for the purposes of constituting the YTL Power Warrants.
Ranking in the event of winding up, compromise and/or arrangement	:	In the case of a members' voluntary winding up, or a compromise or arrangement between YTL Power and its members or any class of them (whether or not in connection with a scheme for reconstruction or amalgamation), every YTL Power Warrant holder as evidenced in the Record of Depositors shall be treated as having the right to subscribe for new YTL Power Shares in accordance with the terms and conditions of the Deed Poll, at any time within 6 weeks after passing of such resolution for a members' voluntary winding up of YTL Power, or within 6 weeks after the granting of the court order in respect of the compromise or arrangement.

2.4 Excess Offer Warrants

If the Offer Warrants offered to Entitled Shareholders and/or their renounees (if any) are not fully subscribed, the Offer Warrants which are not subscribed for will be allotted to applicants for excess Offer Warrants. If the number of Offer Warrants available for excess applications is greater than the number of excess Offer Warrants applied, there will be an under-subscription under the ROS. In such an event, Entitled Shareholders and/or their renounee(s) (if any) will be allocated the maximum number of excess Offer Warrants applied. Any remaining Offer Warrants which are not subscribed for after the full allocation of the excess Offer Warrants will be retained by our Company. The Offer Warrants will not be underwritten.

In the event the number of Offer Warrants available for excess application is less than the number of excess Offer Warrants applied, our Directors reserve the right to allocate any excess Offer Warrants applied for under the excess Offer Warrants application in such manner as they may deem fit and expedient and in the best interest of our Company. It is the intention of our Board to allot the excess Offer Warrants, if any, on a fair and equitable basis and in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to Entitled Shareholders who have applied for excess Offer Warrants on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date, subject always to the maximum number of excess Offer Warrants applied for by them; and
- (iii) thirdly, for allocation to Entitled Shareholders and/or their renounee(s) (if applicable) who have applied for excess Offer Warrants on a pro-rata basis taking into consideration the quantum of their respective excess Offer Warrants applications.

2.5 Other corporate proposals

Save for the ROS, we do not have any other intended corporate exercises for which the relevant approvals from the authorities have been obtained, but which have yet to be completed, prior to the printing of this Prospectus.

3. PURPOSE OF THE ROS AND UTILISATION OF PROCEEDS FROM THE ROS

3.1 Purpose of the ROS

The ROS will enable us to reward Entitled Shareholders by offering them YTL Power Warrants at a discount to its prevailing market price.

3.2 Utilisation of proceeds from the ROS

The total cash proceeds to be raised under the ROS cannot be determined at this juncture as it will be based on the actual number of Offer Warrants subscribed for by the Entitled Shareholders and/or their renounee(s) (if applicable).

Based on the Offer Price and assuming full subscription of the Offer Warrants by the Entitled Shareholders and/or their renounee(s) (if applicable), we expect to raise cash proceeds from the ROS of approximately RM138.4 million and RM146.6 million under the Minimum Scenario and Maximum Scenario, respectively.

The total gross proceeds that are expected to be raised from the ROS assuming full subscription of the Offer Warrants and the intended utilisation are as follows:

	Expected timeframe for utilisation	Minimum Scenario	Maximum Scenario
		RM 000	
Repayment of bank borrowings ⁽¹⁾⁽²⁾	Within 12 months	137,362	145,616
Estimated expenses in relation to the ROS ⁽³⁾	Within 3 months	1,000	1,000
		<u>138,362</u>	<u>146,616</u>

Notes:

⁽¹⁾ We expect to utilise the gross proceeds from the ROS under both scenarios to repay the bank borrowings of our Group as set out below. The repayment of borrowings of our Group from the proceeds is expected to give rise to total annual interest savings of approximately RM5.2 million and RM5.5 million based on an average interest rate of 3.76% per annum under the Minimum Scenario and Maximum Scenario respectively, assuming full subscription of the Offer Warrants.

Name of financial institution	Type of facility	Purpose of facility	Interest rate %	Tenure	Amount outstanding as at 30 June 2012	Minimum Scenario	Maximum Scenario
					Proposed repayment RM 000		
Malayan Banking Berhad	Revolving credit	Working capital	3.76	Rollover on monthly basis	810,000	137,362	145,616

⁽²⁾ The amount available for repayment of bank borrowings will be adjusted accordingly for any variation to the estimated expenses in relation to the ROS.

⁽³⁾ The breakdown of the estimated expenses for the ROS are as follows:

Details	RM 000
Professional fees	480
Fees payable to regulatory authorities	30
Printing and advertising expenses	270
Miscellaneous charges	220
	<u>1,000</u>

4. INVESTMENT RISK CONSIDERATIONS

Notwithstanding the prospects of the YTL Power Group and the industries in which it operates as described in Section 5 of this Prospectus, the activities of the YTL Power Group are exposed to certain risks. Accordingly, you should carefully consider the following investment risk considerations (which may not be exhaustive) in addition to all other relevant information contained elsewhere in this Prospectus prior to making a decision to accept the Offer Warrants.

4.1 Investment risks relating to the ROS

Entitled Shareholders intending to subscribe for the Offer Warrants should be aware that an investment in the Offer Warrants might involve exposure to market volatility. The possible illiquidity of the YTL Power Warrants in the secondary market can also arise as result of the YTL Power Warrants being exercised to subscribe for new YTL Power Shares. A decrease in the liquidity of the YTL Power Warrants may in turn cause an increase in the volatility associated with the market price of the YTL Power Warrants. Further, there is no assurance that the Offer Warrants will trade higher than the Offer Price of RM0.20 subsequent to the ROS. You may refer to Section 7 of Appendix I of this Prospectus for the historical market prices of YTL Power Warrants.

Shareholders should consider carefully that each YTL Power Warrant derives its value from giving its holder the right to subscribe for new YTL Power Shares at a predetermined exercise price over the exercise period. The YTL Power Warrants have a finite lifespan during which time the holders can exercise the subscription rights comprised in the YTL Power Warrant. If the sum of the price of the YTL Power Warrants as quoted on Bursa Securities and the exercise price of the YTL Power Warrants is higher than the market price of YTL Power Shares, the YTL Power Warrants are deemed to be 'out-of-the-money'. The value of the YTL Power Warrants is directly related to the market price of YTL Power Shares. The higher the market price of YTL Power Shares exceeds the exercise price of the YTL Power Warrants, the higher the value of the YTL Power Warrants will be.

Shareholders are reminded, however, that other factors may also affect the market price of the YTL Power Warrants or the market price of YTL Power Shares. The market price of the Offer Warrants will be influenced by the performance of the YTL Power Group in respect of future profitability and outlook of the industries in which it operates as well as a variety of other factors including, but not limited to, the sale of a substantial number of YTL Power Warrants in the public market, announcements of developments relating to the YTL Power Group's business and fluctuations in the YTL Power Group's revenue and earnings.

Other than the fundamentals of the YTL Power Group, the future price performance of the Offer Warrants will also depend on various external factors such as the general economy, political and industry conditions, the performance of regional and world bourses as well as sentiment and liquidity in the local stock market.

4.2 Risks relating to the YTL Power Group and its businesses

4.2.1 Business risks

The YTL Power Group's principal activities in water supply, waste water services and waste treatment processes, developing, constructing, completing, maintaining and operating power plants, electricity generation and transmission, merchant multi-utilities and high-speed broadband and other communications services are subject to certain risks inherent in the utilities sector. These may include shortages of labour and raw materials, increases in cost of labour, raw materials, equipment and electricity tariffs, changes in the general economic, business, credit and interest rate conditions, fluctuations in exchange rates, inflation, taxation and changes in the legal and environmental framework within which the industries operate. There can be no assurance that any changes to these factors will not have a material adverse effect on the business and operations of the YTL Power Group.

4.2.2 Risks relating to the YTL Power Group's businesses in Malaysia

4.2.2.1 The Malaysian IPP licence and regulatory considerations

YTLPG's operations in Malaysia are subject to the Electricity Supply Act 1990 of Malaysia ("ESA") and extensive regulation by a number of agencies. In particular, YTLPG's power stations in Paka, Terengganu, and Pasir Gudang, Johor (collectively, "Malaysian Power Stations") are operated under a licence awarded by the Energy Commission in Malaysia ("Malaysian Licence"), which is itself subject to the ESA. Only persons licensed under the ESA (or exempted therefrom or a supply authority created by statute to generate and/or supply electricity) are permitted to participate as suppliers of electricity in Malaysia.

Unless otherwise terminated, the Malaysian Licence will expire on 30 September 2015. Pursuant to a request for proposal dated 20 April 2012 issued by the Energy Commission for the restricted tender among pre-qualified first generation IPPs and TNB to provide generation capacity based on existing plants and with new standardised power purchase agreement terms, YTLPG has been invited to bid for the conversion, repowering, refurbishing or extension of the operating life of its Malaysian Power Stations ("Bid"). No assurance can be given that YTLPG will be successful in the Bid.

4.2.2.2 Off-take by TNB

Malaysia's national electricity company, TNB, is currently the sole off-taker for the Malaysian Power Stations and off-takes a minimum specified quantity of electricity under the Malaysian PPA. Other than in relation to certain projects specified by the Malaysian Government, TNB currently has a monopoly in the transmission and distribution of electricity in Peninsular Malaysia. As such, should TNB fail to perform its obligations under the Malaysian PPA, there can be no assurance that YTLPG could find alternative purchasers for the electricity produced at the Malaysian Power Stations or, if such purchasers were to be found, it is uncertain as to what the terms of sale of electricity with such purchasers would be.

The Malaysian PPA, which defines YTLPG's long-term contractual relationship with TNB, is valid until 30 September 2015. No provision is made in the Malaysian PPA for its renewal upon its expiry. In particular, if the Malaysian Licence is renewed after 30 September 2015, the Malaysian PPA would have to be renegotiated or a new purchaser would have to be found to replace TNB. There can be no assurance that the Malaysian PPA would be extended or renewed or that new purchasers will be found to replace TNB or, if such purchasers were to be found, it is uncertain as to what the terms of the power purchase agreements with such purchasers would be.

The Malaysian Government previously considered further restructuring of the Malaysian electricity industry but, to date, has not taken any measures to do so. However, there can be no assurance that the Malaysian Government will not take such measures in the future and, if it does, no assurances can be made as to the form and scope of any restructuring plans adopted by the Malaysian Government.

4.2.2.3 Fuel supply and gas supply agreement

There are no arrangements for standby fuel for the Malaysian Power Stations. YTLPG concluded that such arrangements were not necessary in view of its assessment of the risk of a material interruption in the supply of gas and the terms of the Malaysian PPA which would apply in such circumstances. The relevant terms of the Malaysian PPA include, among others, a requirement that TNB negotiate with YTLPG to modify the relevant operating programme to take into account the impaired ability of YTLPG to produce electricity. However, there can be no assurance that the Malaysian Power Stations will continue to have an adequate supply of gas.

YTLPG has a 21-year gas supply agreement (“GSA”) with Petroliam Nasional Bhd (“Petronas”) pursuant to which Petronas is required to make available to YTLPG a fixed daily quantity of gas. The GSA is valid until 30 September 2015 and no provision is made in the GSA for its renewal or extension upon expiry. Thereafter, the GSA would have to be renegotiated. There can be no assurance that the extension or renewal of the GSA will be possible or, if it is, what the terms of the renegotiated GSA will be.

4.2.2.4 Insurance for the Malaysian Power Stations

Although the YTL Power Group has taken the necessary measures to ensure that its main operating assets are adequately covered by insurance, where appropriate, there can be no assurance that the coverage would be adequate for the replacement cost of the assets or any consequential costs arising from the loss of such assets.

The YTL Power Group does not have machinery breakdown or business interruption insurance cover in relation to the Malaysian Power Stations. YTLPG concluded that such arrangements would not be necessary or appropriate having regard to, among other things, its assessment of the risk of damage to the Malaysian Power Stations or other factors which would materially affect the ability of YTLPG to generate electricity for any material period, the terms of the Malaysian PPA and GSA that would apply in such circumstances and the cost and availability of the relevant insurance.

There can be no assurance that any machinery breakdown or other interruption to the operation of the power stations will not materially adversely affect the ability of YTLPG to generate electricity for any material period or the results of operation or financial condition of YTL Power. However, the risk is mitigated by the technical expertise and experience of the YTL Power Group, which has significant experience and expertise in the operation and maintenance of power stations. YTLPS, a wholly-owned subsidiary of YTL Corp, has carried out the operation and maintenance of the Malaysian Power Stations since the commencement of commercial operations achieving high availabilities throughout the period of its operations. The separate locations of the Malaysian Power Stations also mitigate the risk of both plants being simultaneously affected by any unforeseen breakdown.

4.2.2.5 Regulation and licensing of spectrum rights in the Malaysian communications industry

The allocation of frequency spectrum in Malaysia is subject to extensive regulation and supervision by the MCMC and the Ministry of Information, Communications and Culture of Malaysia ("**Ministry**"). YTL Comms operates its business pursuant to licences and approvals granted by the MCMC and the Ministry. Any inability to obtain new licences and/or delay in the renewal of existing licences may impede YTL Comms' ability to provide its services. Furthermore, these licences are subject to suspension or cancellation by the MCMC and/or the Ministry under certain circumstances, including failure to comply with their terms or violation of telecommunications laws and regulation. There can be no assurance that there will not be changes in the laws, regulations or policies affecting YTL Comms' business activities, including the grant of additional licences or the assignment or reallocation of new or additional spectrum to new or existing mobile operators.

4.2.2.6 Competition in the Malaysian communications industry

The market for mobile and fixed line communications services in Malaysia is highly competitive. YTL Comms has approval from the MCMC to operate a 2.3 GHz wireless broadband network in Malaysia and launched its 'YES' branded fourth generation (4G) wireless high-speed broadband platform in November 2010. There are 3 other companies that have been awarded Worldwide Interoperability for Microwave Access ("**WiMAX**") spectrums in Malaysia, who are in various stages of rolling out their networks and services, in addition to existing incumbent providers offering fixed line high-speed broadband services. Competition from existing and new operators has resulted in, and is expected to continue to result in, greater price competition in the domestic communications market, with operators lowering monthly access fees and tariffs, providing mobile device packages or tariff subsidies and offering more attractive products and/or services, which may result in a higher churn rate and increased customer acquisition costs.

YTL Comms' unique business model offers a differentiated service in terms of its 'pay-as-you-use' structure that does not require customers to commit to a fixed-term contract, as well as a converged platform which offers customers mobility, a high-speed broadband network, nationwide coverage and interchangeability of devices, which allows users to utilise the network from one account across a range of devices, including mobile phones, desktop computers, tablet computers and laptops.

YTL Comms also offers pricing programmes that provide bulk purchase discounts on a monthly basis with built-in rollover features for unused credits to encourage recurring monthly payments.

However, there can be no assurance that these or other strategies will prove effective in avoiding any material adverse effects on YTL Comms' future growth and profitability, and there can be no assurance that the level of existing and future competition will not adversely affect the operations or financial condition of YTL Comms.

4.2.2.7 Rapid technological change

Although the YTL Comms wireless network offers a differentiated service in terms of both speed and consistency, the communications industry is subject to rapid and ongoing technological changes. Wireless technology, satellite-based personal communications services, private and shared radio networks and other communications services that have the technical capability to handle voice, data and content access services compete with YTL Comms' business. Emerging and future technological changes may adversely affect the viability or competitiveness of YTL Comms' business and there can be no assurance that YTL Comms will be successful in responding in a timely and cost-effective way to these developments.

Furthermore, changing market demand, future high bandwidth requirements and/or a lack of supply, diversity or range of required devices may require YTL Comms to adopt new wireless or fixed line technologies that could render many of the technologies that it is currently implementing or has implemented less competitive or obsolete. New technologies may emerge that are incompatible with existing devices or technologies and competitors may implement new technologies before YTL Comms and/or offer lower priced, enhanced or better quality services which could have a material adverse effect on YTL Comms' ability to compete effectively, as well as its business, prospects, results of operations and/or financial condition.

4.2.2.8 Reliability of network infrastructure

YTL Comms provides mobile services over networks that rely to varying degrees on a common core network. The provision of services depends on the reliability of this integrated network, any failure of which that results in a major interruption in operations or provision of any service over prolonged periods could diminish the value of the YES brand and reduce the ability of YTL Comms to attract and retain customers, and could have a material adverse effect on its operations and financial condition.

YTL Comms has built in a degree of diversity and resilience into its network through decentralisation and duplication of critical components to provide diversity of the transmission trunk network from the outset. Notwithstanding these measures, YTL Comms' network is potentially vulnerable to damage or interruptions in operation due to natural disasters, fire, power loss, telecommunications failures, network software flaws or failures, breaches of security and other similar events.

4.2.2.9 Risks relating to the network

YTL Comms' ability to maintain or increase its customer base is dependent on its ability to expand and upgrade its network on a timely basis. The continued expansion and upgrading of the network are subject to risks and uncertainties, including the ability to procure permission from the relevant local authorities to install a sufficient number of suitably located base station sites, as well as to retain and maintain existing sites. Factors such as local opposition to the building of base stations, including opposition arising from concerns over health risks and environmental factors, local authority requirements to remove or relocate existing base stations and the imposition of new policies or guidelines from state and/or local governments on site leasing arrangements may all result in increases in site leasing and management costs for YTL Comms and impede its ability to expand and upgrade its network.

In addition, YTL Comms relies on third parties to a certain degree for the leasing of towers and there can be no assurance that such third parties will continue to construct and lease such towers on a timely basis and/or on commercially favourable terms.

4.2.3 Risks relating to the YTL Power Group's businesses in the UK

4.2.3.1 The WWSL licence and regulatory considerations

The YTL Power Group's operations through WWSL in the UK are subject to the Water Industry Act 1991 of England and Wales ("**Water Industry Act**", as amended by the Water Act 2003 of England and Wales ("**Water Act**")) and are regulated by Ofwat, whose functions were previously carried out by the Director General of Water Services, supported by Ofwat. In particular, WWSL's water supply and wastewater services are operated under the terms of an Instrument of Appointment ("**WWSL Licence**"), issued and regulated under the Water Industry Act, which companies engaged in water supply or wastewater services in England and Wales must hold.

The WWSL Licence will continue in force for an indefinite period, subject to termination by the Secretary of State on 25 years' notice. More immediate revocation may occur in certain circumstances. Among other circumstances, the WWSL Licence, as well as the Instruments of Appointment of other entities held under the Water Industry Act, can be terminated under the provisions of the special administration regime. The Secretary of State may apply to the High Court of England and Wales for a special administration order and can also authorise Ofwat to do so. The grounds for application for an order are described in the Water Industry Act and include: (a) breach of one of the appointee's principal duties under the Water Industry Act (e.g. to maintain a water supply system or to provide a wastewater system); (b) insolvency; or (c) non-compliance with a final or confirmed provisional enforcement order following a breach of a licence condition. Conditions attached to the WWSL Licence can also be modified by Ofwat with WWSL's agreement or following reference by Ofwat to the UK's Competition Commission for a decision on public interest grounds. No assurance can be given that such modification or termination will not occur.

The Water Act has also introduced financial penalties for the breach of licence conditions. Companies can now face a fine of up to 10% of "turnover" from the particular service affected for breaching licence conditions, standards of performance or other obligations. "Turnover" is derived from the regulated activities in respect of which the penalty is imposed for the preceding regulatory year (i.e. the latest set of regulatory accounts), as more specifically set out in the Water Industry (Determination of Turnover for Penalties) Order 2005. Whilst WWSL currently complies with all its licence conditions, there can be no assurance that such conditions will not change in the future or that WWSL will continue to be able to comply with its licence conditions. Should it fail to do so, a financial penalty under the Water Act may be imposed which may adversely affect WWSL's (and, consequently, the YTL Power Group's) operating results or financial position.

4.2.3.2 Price review

As a water undertaker, WWSL's financial position is substantially determined by price limits established every five years by Ofwat. WWSL's most recent price limits, covering the period 1 April 2010 to 31 March 2015, were announced by Ofwat on 26 November 2009.

There can be no assurance that the outcome of the next, and future, price review processes will not impact WWSL's future turnover and profitability. An adverse price determination may occur as a result of a number of factors, including an inadequate allowed cost of capital or regulatory assumptions concerning operating expenses, required capital expenditure and revenue forecasts proving not to be realistic.

4.2.3.3 Environmental standards and consents for WWSL's businesses

WWSL's operations are also subject to domestic and European environmental regulation. All water and wastewater companies in the UK have a general duty to exercise their powers to conserve and enhance the natural beauty of the environment and to promote the efficient use of water.

Further, as a water undertaker, WWSL is required to comply with drinking water standards specified in regulations issued by the Secretary of State in respect of a number of substances. WWSL currently complies with all such standards. However, there can be no assurance that the standards imposed by such regulations will not change or otherwise result in increased costs or losses of or reductions in revenue to WWSL and, consequently, to YTL Power.

As a wastewater undertaker, WWSL is required to obtain consents from the UK's Environment Agency for discharges of polluting substances into controlled waters from various sources (such as wastewater treatment works). WWSL currently holds all such consents and complies with the conditions thereunder. However, there can be no assurance that the consents required will be granted in the future or that the conditions imposed thereunder will not change or otherwise result in increased costs or losses or reductions in revenue to WWSL and, consequently, to YTL Power.

4.2.4 Risks relating to the YTL Power Group's businesses in Singapore

4.2.4.1 The PowerSeraya licence

PowerSeraya operates under a licence for electricity generation which was granted by Singapore's EMA for a term of 30 years, expiring on 31 December 2032 ("**PowerSeraya Licence**"). The EMA may at any time revoke or modify the terms of the PowerSeraya Licence in accordance with the Electricity Act (Cap. 89A) of Singapore ("**Singapore Electricity Act**"). No assurance can be given that such modification or termination will not occur. Unless otherwise terminated, the PowerSeraya Licence will expire in 2032. However, it is the intention of PowerSeraya to seek renewal of the PowerSeraya Licence upon its expiry, which is permitted under the provisions of the Singapore Electricity Act.

4.2.4.2 Fuel supply to the PowerSeraya power stations

PowerSeraya has a take or pay contract for the supply of natural gas with Gas Supply Pte Ltd (“GSPL”), which expires in 2023. In addition, PetroSeraya Pte Limited, a wholly-owned subsidiary of PowerSeraya, provides total fuel management services to PowerSeraya for fuel oil used for electricity generation and trades on its own behalf in the Singapore cargoes and bunkers market. The procurement of fuel oil and diesel for electricity generation is made through short term supply and spot purchases by PetroSeraya. However, there can be no assurance that the PowerSeraya power stations will continue to have an adequate supply of fuel, for example, due to supply interruption, termination or expiry of its fuel supply agreements.

4.2.4.3 Competition in Singapore affecting PowerSeraya’s businesses

PowerSeraya sells all its electricity output into NEMS, a competitive wholesale electricity market, and enters into bilateral arrangements for financial settlements, mainly relating to vesting contracts and retail electricity sales. PowerSeraya enters into a high proportion of vesting contracts and retail electricity sales which helps the company to hedge a significant portion of its electricity output. Vesting contracts are contracts put in place by the EMA whereby generators sell quantities of electricity at a price set periodically by the EMA at the long run marginal cost of the most efficient technology that accounts for at least 25% of Singapore’s system demand (currently the gas-fired combined cycle plant). The vesting contract quantity is determined for each generator based on that generator’s share of total installed generation capacity in Singapore. The entry of additional and/or more efficient generation capacity in Singapore may reduce the margins that PowerSeraya is able to receive from the sale of electricity and hence, may reduce the cash flows of PowerSeraya.

4.2.5 Risks relating to the YTL Power Group’s business in Indonesia

4.2.5.1 Possible competition in Indonesia affecting Jawa Power’s business

At present, there is no competition in the Indonesian power industry as the IPPs in Indonesia are regulated by their respective power purchase agreements which do not provide scope for competition between IPPs for the sale of energy to PLN, Indonesia’s state owned electricity company. In the long term, there may be a possibility of liberalisation of the power industry by the introduction of competition via a power pool market or the introduction of a tender process for the future development of power plants. Any future market liberation will have a direct impact on Jawa Power’s operations. As such, there can be no assurance that Jawa Power will be able to maintain its existing market position in the future once the Indonesian PPA expires in 2030.

4.2.5.2 PLN and the Indonesian PPA

Jawa Power currently derives and expects to continue to derive a substantial portion of its revenues in the foreseeable future from PLN as the sole off-taker for Jawa Power’s entire generation capacity under the Indonesian PPA. PLN currently has a monopoly in the transmission and distribution of electricity in Indonesia. There can be no assurance that PLN will not seek to renegotiate the Indonesian PPA (as occurred in July 2002 following the Indonesian political and economic crisis) or that the Indonesian PPA will be extended or renewed on expiry in 2030 or, should the laws of Indonesia at such time permit it, that new off-takers will be found to replace PLN and, if such off-takers were to be found, it is uncertain as to what the terms of the power purchase agreements with such off-takers would be.

PLN has the right at any time during the term of the Indonesian PPA to exercise an option (“**PLN Option**”) to purchase all of Jawa Power’s rights, title and interest in the project for the price determined in accordance with the Indonesian PPA. Whilst the price formula for the PLN Option takes into account, among others, the amount required to repay the senior debt and interest payable to the project lenders and the present value of a percentage of the remaining project revenues, the termination payment payable by PLN may not necessarily be worth the entire net present value of the future revenues of the Indonesian power station.

The Indonesian PPA may be terminated by either party following the occurrence of certain events as set out in the Indonesian PPA. If such events and termination were to occur, there can be no assurance that off-takers for the electricity produced at the Indonesia power station could be found or, if off-takers for the electricity produced at the Indonesian power station were found, it is uncertain as to what the terms of sale of electricity would be. Following termination of the Indonesian PPA, PLN may have an option or obligation (depending on the circumstances of termination) to purchase all of Jawa Power’s right, title and interest in the project for the amount determined in accordance with the Indonesian PPA.

4.2.5.3 Coal supply to the Indonesian power station

Jawa Power’s Indonesian power station operates on coal supplied by several suppliers in Indonesia based on long-term coal supply agreements. However, there can be no assurance that the Indonesian power station will continue to have an adequate supply of coal, for example, due to supply interruption, termination or expiry of its coal supply agreements or delay or non-delivery under its coal transportation agreement.

Jawa Power can also source its supply of coal from other suppliers in Indonesia or abroad, although it may have to do so at higher cost and based on terms which are different from its current coal supply agreements and these factors may consequently affect the financial performance of the power station.

4.2.6 Environmental issues

The Malaysian Power Stations, WWSL’s business, the power stations and multi-utility businesses owned by PowerSeraya and the power station owned by Jawa Power are, and other projects undertaken by the YTL Power Group are likely to be, subject to environmental legislation and regulations. There can be no assurance that the standards imposed by such legislation and regulations will not change or otherwise result in increased costs, or losses of or reductions in revenue, to the YTL Power Group.

The terms on which concessions for power and other infrastructure projects are granted by relevant regulatory authorities include, on occasion, requirements to contribute to environmental and/or other public works. There can be no assurance that such requirements will not apply to, or be imposed in relation to, projects undertaken from time to time by the YTL Power Group, thereby resulting in increased levels of cost to the YTL Power Group.

4.2.7 Political, economic and regulatory risks

Like all other businesses, adverse developments in political, economic and regulatory conditions in Malaysia, the UK, Singapore, Indonesia, Australia and other overseas markets in which the YTL Power Group from time to time has operations could materially and adversely affect the financial and business prospects of the YTL Power Group and the markets for its products. These include risks of war, changes in political leadership, expropriation, nationalisation, global economic downturn and unfavourable changes in government policy such as imposition of control prices, introduction of new regulations, interest rate, taxation, currency exchange rates and contracts.

There can also be no assurance that the legal and/or regulatory environments in the various jurisdictions in which the YTL Power Group operate will not change from time to time, requiring increases in costs to be incurred by the YTL Power Group, which may result in a loss of or reduction in revenue to YTL Power. As such, no assurance can be given that these factors will not have a material adverse effect on the performance of YTL Power.

4.2.8 Foreign exchange risks

A substantial portion of the YTL Power Group's revenues and profits are, and are likely in the foreseeable future to be, denominated in foreign currency. A substantial proportion of the YTL Power Group's revenues and profits are denominated in GBP (from WWSL's business) and SGD (from PowerSeraya's businesses). YTL Power also has revenue and profits in USD and Indonesian Rupiah (from Jawa Power) and Australian Dollars (from ElectraNet) and in the future may have profits and revenue in other currencies.

As the exchange rate of the RM has been de-pegged and allowed to operate in a managed float as at 21 July 2005, any significant fluctuations in the currencies in which the YTL Power Group's revenues are or may be denominated at any relevant time, may have a material adverse effect on the YTL Power Group's profits as expressed or converted in that relevant currency. Although these risks may be mitigated by hedging or exchange rate agreements which the YTL Power Group may enter into from time to time, there can be no assurance that any significant fluctuations in exchange rates will not have a material adverse effect on the future earnings of the YTL Power Group.

4.2.9 Dependence on key personnel

The success of the YTL Power Group is believed to depend, to a significant extent, upon the abilities and continued efforts of its existing Director(s), senior management and skilled personnel. To a certain extent, the loss of any key Director(s) and key members of the senior management may affect its continued ability to compete effectively. The YTL Power Group's future success will also depend upon its ability to attract and retain skilled personnel. Therefore, appropriate measures are taken which include the provision of training programmes and offering attractive incentives such as ESOS and attractive remuneration packages. In addition, every effort is made to ensure a smooth succession in the management team.

4.2.10 Control by substantial shareholders

As at the LPD, YTL Corp, YTL SH, CCSB and Tan Sri Yeoh Tiong Lay, being the substantial shareholders of YTL Power, collectively hold 55.4% equity interest in YTL Power. Following the implementation of the ROS and assuming full exercise of the YTL Power Warrants, the shareholdings of YTL Corp, YTL SH, CCSB and Tan Sri Yeoh Tiong Lay in YTL Power under the Minimum Scenario and Maximum Scenario are as follows:

	⁽¹⁾ As at the LPD		⁽²⁾ After the ROS			
			Minimum Scenario		Maximum Scenario	
	No. of YTL Power Shares	%	No. of YTL Power Shares	%	No. of YTL Power Shares	%
YTL Corp	3,275,220,346	45.00	3,363,412,516	39.82	3,322,141,174	39.33
YTL SH	274,583,842	3.77	700,066,506	8.29	700,066,506	8.29
CCSB	462,184,873	6.35	462,184,873	5.47	462,184,873	5.47
Tan Sri Yeoh Tiong Lay	20,380,250	0.28	26,417,660	0.31	26,417,660	0.31
	<u>4,032,369,311</u>	<u>55.40</u>	<u>4,552,081,555</u>	<u>53.89</u>	<u>4,510,810,213</u>	<u>53.40</u>

Notes:

⁽¹⁾ Based on the issued and paid-up share capital of YTL Power of 7,278,032,766 ordinary shares (excluding 56,725,045 treasury shares) as at the LPD.

⁽²⁾ Based on the fully diluted issued and paid-up share capital of YTL Power of 8,447,122,477 ordinary shares (excluding 56,725,045 treasury shares) and assuming full subscription of the Offer Warrants under the ROS and the full exercise of 1,169,089,711 outstanding YTL Power Warrants as at the LPD.

As such, YTL Corp, YTL SH, CCSB and Tan Sri Yeoh Tiong Lay and persons connected to them may still be able to influence the outcome of certain matters requiring the voting of shareholders of YTL Power, unless they are required to abstain from voting by law and/or the relevant authorities. Nevertheless, YTL Power has appointed independent Directors to its Board for good corporate governance and to ensure that any future transaction involving related parties (if any) are entered into at arm's length basis.

4.2.11 Forward-looking statements

Certain statements in this Prospectus are based on historical data which may not be reflective of the future results, and any statements which are forward-looking in nature are subject to uncertainties and contingencies. All forward-looking statements are based on forecasts and assumptions made by our Company and, although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, inter-alia, general economic and business conditions, competition and the impact of new laws and regulations affecting the YTL Power Group and the industries in which it operates. In light of these risks and other uncertainties, the inclusion of a forward-looking statement in this Prospectus should not be regarded as a representation or warranty by our Company and our advisers that the plans and objectives of YTL Power will be realised/achieved in the future.

5. INDUSTRY REVIEW, PROSPECTS AND FUTURE PLANS

5.1 Industry overview

The YTL Power Group's power generation, power transmission and merchant multi-utility businesses are carried out in Malaysia, Singapore, Indonesia and Australia. In the UK, the YTL Power Group is involved in water and sewerage operations through its wholly-owned subsidiary, Wessex Water. YTL Comms, a subsidiary of YTL Power, carries out communications activities in Malaysia.

5.1.1 Power generation and transmission

YTL Power carries out its power generation, power transmission and merchant multi-utility businesses through its 100% stakes in YTLPG in Malaysia and PowerSeraya in Singapore, as well as an effective equity interest of 20% in Jawa Power in Indonesia and an investment of 33.5% in ElectraNet in Australia.

Malaysia

The electricity sub-sector is dominated by three integrated utilities, i.e TNB serving Peninsular Malaysia, Sabah Electricity Sdn Bhd, Sarawak Electricity Supply Corporation and complemented by various IPPs, dedicated power producers and co-generators.

The demand for electricity in Malaysia is growing in tandem with its GDP growth. It received a welcomed boost from the rollout of projects under the rolling 5-year Malaysia Plans and the on-going Economic Transformation Programme. The forecasted growth for electricity has shown an increase of 3.7% in 2012 compared to 3.1% in 2011. This growth has been driven by strong demand from the commercial and domestic sectors. For the period till 2020, the average projected demand for electricity is expected to grow at 3.1%. Based on this forecast, the country is going to need even more energy as it strives to grow towards a high-income economy. An estimated 10.8 GW of new generation capacity will be needed by 2020 given that 7.7 GW of existing capacity are due for retirement. By 2020, the total installed capacity will see an increase of 16% over the total installed capacity in 2012. Of this new capacity, gas and coal will continue to feature strongly in the Peninsular energy mix for power sector, with coal probably taking up a bigger share on the basis of rising gas prices.

(Source: Ministry of Energy, Green Technology and Water, 24 April 2012)

YTLPG operates two combined-cycle, gas-fired power stations located in Paka, Terengganu and Pasir Gudang, Johor with a total generating capacity of 1,212 MW. The combined power production by both stations was 97.51% of the scheduled quantities for the year ended 30 June 2011.

Singapore

The Singapore electricity industry had traditionally been vertically integrated and Government-owned. Tremendous progress has been made since 1995 to liberalise the electricity industry for greater efficiency and innovation. The electricity generation and retail business was separated from the natural monopoly of electricity transmission at the ownership level in 2001. NEMS commenced operation on 1 January 2003 and is essentially a real-time electricity trading pool, generation companies compete to sell electricity every half-hour. In addition to electricity, trading of operating reserves to maintain system security and reliability also takes place in the NEMS on a half-hourly basis. Electricity retailers buy electricity from the NEMS and offer packages to sell electricity to contestable consumers.

(Source: Energy Market Authority of Singapore, 5 June 2012)

PowerSeraya, YTL Power's wholly-owned subsidiary engages in the generation and sale of electricity to both wholesale and retail markets, as well as oil trading and oil tank leasing, which it carries out through its subsidiaries. PowerSeraya has a total licensed generation capacity of 3,100 MW, representing approximately 25% of Singapore's total licensed generation. For the year ended 30 June 2011, PowerSeraya maintained its leading position among the generation companies in Singapore with a market share of 28%. PowerSeraya sells all of its electrical output to NEMS.

On the retail front, Seraya Energy, Pte Ltd ("**Seraya Energy**"), a wholly-owned subsidiary of PowerSeraya holds a 10-year renewable retail electricity licence granted by the EMA to sell and trade electricity in NEMS. For the year ended 30 June 2011, Seraya Energy maintained its market leader position with a market share of 28.3% amongst local retailers.

Indonesia

The power generation sector is dominated by PLN which controls around 86% (or 26.609 GW) of generation assets in Indonesia including through subsidiaries such as PT Indonesia Power, PT Pembangkit Jawa Bali and PT PLN Batam. Private sector partnership is allowed through IPP arrangements.

The YTL Power Group has an effective equity interest of 20% in Jawa Power. Jawa Power is the owner of a 1,220 MW coal-fired thermal power station consisting of two electricity generation units with a net installed capacity of 610 MW each. The plant is located at the Paiton Power Generation Complex on Indonesia's most developed and populated island, Java, and supplies power to PLN, under a 30-year power purchase agreement. For the year ended 31 December 2010, Jawa Power generated 8,410 GW of electricity and recorded an average availability of 89.49%, well in excess of the 83% rate contracted under its power purchase agreement.

Australia

The current structure of Australia's south-east electricity market was shaped by industry reforms in the early 1990s. A key element of these reforms was the establishment of the National Electricity Market ("**NEM**"), which began operation in 1998. The NEM allows market determined power flows across the Australian Capital Territory, New South Wales, Queensland, South Australia, Victoria, and, from May 2005, Tasmania. Western Australia and the Northern Territory are not connected to the NEM, primarily because of their geographical distance from the east coast. The NEM operates as a wholesale spot market in which generators and retailers trade electricity through a gross pool managed by the Australian Energy Market Operator ("**AEMO**"). AEMO is responsible for aggregating and dispatching supply to meet demand in the lowest cost manner available. In addition to the physical wholesale market, retailers may also contract with generators through financial markets to better manage any price risk associated with trade on the spot market.

Australia's overall energy resources are sufficient to supply energy for both domestic consumption and export markets. In 2009–10, Australia's primary energy production was 17 282 petajoules. Net energy exports accounted for 68% of domestic energy production in 2009–10, while domestic consumption accounted for the remaining 32%.

(Source: Energy in Australia 2012 by the Bureau of Resources and Energy Economics, Australia)

The YTL Power Group has a 33.5% investment in ElectraNet which manages ElectraNet's transmission assets. ElectraNet is a regulated transmission network service provider in Australia's NEM and own South Australia's high voltage electricity transmission network, which transports electricity from electricity generators to receiving end-users across the state. ElectraNet is regulated by the Australian Energy Regulator which sets revenue caps based on the company's expected capital expenditure requirements for a five-year regulatory period. The current revenue cap became effective on 1 July 2008 and is valid for a period of five years until 30 June 2013.

5.1.2 Water and sewerage services

The water industry in UK is regulated by Ofwat who monitors the level of services provided by water suppliers and the prices that can be charged by them to the consumers. 10 regional companies have been appointed to provide both water and sewerage services in the UK. They have a regional monopoly for their services based on boundaries that were fixed at privatisation in 1989. They can apply to vary their appointment to cover a new area. Each water and sewerage company has between 1.2 million and 8.5 million customers.

The price limits set by Ofwat are reviewed every 5 years. The current pricing structure is due for a review in year 2015.

(Source: Ofwat, 5 June 2012)

The YTL Power Group carries out its water and sewerage operations in the UK through its wholly-owned subsidiary, Wessex Water, which operates as a regulated, "ring-fenced" business. These activities are carried out by WWSL, a wholly-owned subsidiary of Wessex Water, who was appointed by the Secretary of State in 1989 to supply clean water and treat and dispose of waste water for a geographical area of approximately 10,000 square kilometres in the south west of England. The WWSL Licence will continue in force for an indefinite period, subject to termination by the Secretary of State with 25 years notice. WWSL supplies water to approximately 1.3 million people and provides sewerage treatment facilities to approximately 2.7 million customers in the region.

For the year ended 30 June 2011, WWSL maintained its position as one of the most efficient and profitable water and sewerage companies in the UK despite challenging economic conditions. The company provided the highest levels of service in the industry, leading Ofwat's new service incentive mechanism, an independent survey of customer experience. The company also retained its UK government standard Customer Service Excellence award for its approach to customer service and continues to have the best overall package of customer guarantees in the industry. For the year ended 30 June 2011, compliance with drinking water exceeded 99.9% and compliance with sewage discharge consents continued to be 100%.

5.1.3 Communications

The broadband industry in Malaysia is regulated by MCMC. In line with the Government's aim of transforming Malaysia into a high-income economy, a large emphasis has been placed to increase the level of broadband penetration in Malaysia. The National Broadband Initiative was launched in 2007 with the goal of achieving a household broadband penetration rate of 50% by the end of 2010. This target has been achieved as at November 2010.

In the Tenth Malaysia Plan (2011-2015), the Government announced a new target of raising household broadband penetration to 75% by the end of 2015. This will be achieved via two main initiatives; HighSpeed Broadband (“HSBB”) and Broadband to General Population (“BBGP”), which leverages on both wired and wireless technology. The HSBB initiative will cover about 1.3 million premises by 2012 in the high population, high economic impact ‘Zone 1’ areas (state capitals, large urban and industrial zones). HSBB will offer speeds of up to 100 Megabits per second through Fibre-to-the-Home technology. The HSBB will be complemented by the BBGP which will cover ‘Zones 2 and 3’ (semi-urban and rural areas). The national rollout of broadband is expected to incur a cost of approximately RM2.6 billion. The cost of HSBB rollout will be complemented by the private sector whereas that of BBGP will be partly funded through Universal Services Provision Fund. Additionally, to stimulate demand for broadband, a series of measures will be introduced, including tax rebates for broadband subscription, providing affordable packages for students and the rural population, encouraging computer ownership as well as promoting development of local content both in the public and private sectors. The existing Uniform Building By-law 1984 will also be amended to make it mandatory for developers to provide broadband facilities in residential and commercial areas.

(Source: MCMC, 6 June 2012 and the Tenth Malaysia Plan 2011-2015)

The YTL Power Group’s communications operations in Malaysia are carried out by YTL Comms. The company operates a 2.3 GHz wireless broadband network in Malaysia which was launched in November 2010 under the brand ‘YES’. The network offers high-speed mobile internet with voice services covering approximately 70% of Peninsula Malaysia and interconnects with all other voice networks (both mobile and fixed line) enabling the company to offer a converged voice and data service to its customers. YTL Comms offers a differentiated service in terms of its ‘pay-as-you-use’ structure, which provides customers with the option to utilise the network without committing to a fixed-term contract, and a platform which provides customers with mobility, a high-speed broadband network, nationwide coverage and interchangeability of devices.

5.2 Country overview

In addition to the outlook of the sectors mentioned above, the prospects of the businesses of the YTL Power Group are also closely tied to the growth of the respective economies in which the businesses operate.

5.2.1 Malaysia

The global economic environment remained challenging in the second quarter, amidst heightened vulnerabilities in several key economies. Growth in the major advanced economies was weighed down by policy and domestic structural concerns. In Asia, economic activity was affected by weaker external demand. In spite of this challenging environment, the Malaysian economy recorded a higher growth of 5.4% (first quarter of 2012: 4.9%), driven by stronger domestic demand, which rose by 13.8% (first quarter of 2012: 9.7%). This was supported by robust growth in the expenditure of both the private and public sectors, while net exports moderated further due to weaker exports and higher imports. On the supply side, most major economic sectors continued to expand, led by the services, manufacturing and construction sectors.

The global economic recovery continued in the second quarter, albeit at a more modest pace. Going forward, the global economy faces increasing downside risks emanating from the developments in several major economies. Policy uncertainty surrounding the European sovereign debt crisis and fiscal issues in the US are expected to weigh on market sentiments and growth prospects.

For the Malaysian economy, the strong support provided by domestic demand, underpinned by activities in both the private and public sectors have ensured higher growth amidst the challenging global environment. This trend is expected to be sustained going forward, although downside risks emanating from external developments remain.

(Source: Economic and Financial Developments in the Malaysian Economy in the Second Quarter of 2012, Bank Negara Malaysia)

5.2.2 Singapore

Mirroring the global slowdown, the Singapore economy shrank by 0.7% q-o-q saar (seasonally-adjusted annualised rate) in second quarter of 2012, following the 9.5% expansion at the first quarter of the year. Growth was constrained by sluggish activity across a broad range of industries. The manufacturing and trade-related industries saw the impact from weakening external demand. Notably, electronics production and exports declined on the back of lacklustre global information technology (IT) demand. At the same time, the sentiment-sensitive activities within financial services were affected by heightened risk aversion in global financial markets. Meanwhile, activity in the tourism-related industries moderated alongside the slowdown in the regional economies. For the first half of 2012 as a whole, the Singapore economy expanded by 1.7% y-o-y, lower than the 4.8% growth registered in the second half of 2011. Activity in the Singapore economy is expected to remain weak for the rest of the year. Barring a major dislocation in the global economy, the Singapore economy is expected to grow by 1.5-2.5% this year.

(Source: Recent Economic Developments in Singapore, 5 September 2012, Monetary Authority of Singapore)

5.2.3 Indonesia

The Board of Governors sees Indonesia's economy remain solid during global economic slowdown and uncertainty in the global financial market. Indonesia's economy in the second quarter of 2012 grew by 6.4%, underpinned by buoyant consumption and investment that spurred strong imports growth. Nonetheless, exports growth slid further, reflecting a slowdown in the global economy and declining global commodity prices. From the production side, economic growth was sustained by three main sectors – (i) manufacturing sector; (ii) trade, hotel, and restaurant sector; and (iii) transportation and communication sector. For the whole year of 2012, Indonesia's economic growth is expected to arrive at 6.1-6.5% and pick up to 6.3-6.7% in 2013, supported by underlying strength of private consumption and investment.

(Source: Monetary Policy Review, August 2012, Bank Indonesia)

5.2.4 Australia

Information released over the past two months suggests that the Australian economy grew more rapidly over the past year than had previously been indicated by the available data. The national accounts now report that GDP growth was around trend over the second half of 2011, and was even stronger at 1.3 per cent in the March quarter of this year. More recent indicators suggest that in the June quarter the economy expanded at a somewhat slower pace than in the previous quarter. Real GDP growth is forecast to slow somewhat over the second half of 2012 as the strong growth of domestic demand in the first half of the year moderates. The stronger than-expected growth in the first half of 2012 has boosted the forecast for GDP growth over 2012 to 3½ per cent. The economy is then expected to grow at around 3 per cent over 2013 and 2014. The Reserve Bank of Australia's current assessment is that growth is likely to be at about trend pace in the second half of 2012, as the strong growth in domestic demand moderates. Nonetheless, the firm pace in the first half of the year sees the forecast for GDP growth over 2012 rise to 3½ per cent. The economy is then expected to grow at around 3 per cent over 2013 and 2014.

(Source: Statement of Monetary Policy – Overview & Economic Outlook, August 2012, Reserve Bank of Australia)

5.2.5 UK

UK GDP was broadly flat over the four quarters to the first quarter of 2012, and underlying growth was weak in the second quarter of 2012. Subdued activity in part reflects the impact of the significant competitiveness and indebtedness challenges facing some euro area countries. Most directly, the resultant weak growth in the euro area has, alongside slowing growth elsewhere in the world, held back UK export growth. Other factors have also weighed on UK demand, including a real income squeeze, tight credit conditions and the fiscal consolidation. As a consequence, UK domestic demand grew weakly over the year to the first quarter of 2012. In particular, household spending fell, although business investment boosted GDP growth.

The outlook for UK growth remains unusually uncertain. The greatest threat to the recovery stems from the risk that an effective policy response is not implemented sufficiently promptly in the euro area to ensure that the adjustments in the level of debt and competitiveness required by some member countries occur in an orderly manner. Even if an effective set of policies is implemented, the scale of the necessary adjustments points to a sustained period of sluggish euro area growth and heightened uncertainty.

(Source: Inflation Report, August 2012, Bank of England)

5.3 Prospects and future plans of the YTL Power Group

The YTL Power Group remains committed to developing and expanding its core multi-utility capabilities, supported by its technical know-how and operation and maintenance expertise, to ensure the YTL Power Group's ongoing growth and development. YTL Power's financial profile is underpinned by a focus on stable and efficient operations and the steady long-term returns generated from its core utility assets, which will continue to form the foundation of its future growth.

As recent years have demonstrated, the utility-based nature of the YTL Power Group's operations, coupled with its operational and financial prudence, has provided a significant buffer against global economic fluctuations. Nevertheless, YTL Power will remain focused on increasing operational efficiency, further reinforcing its financial strength and enhancing shareholder value.

(Source: YTL Power Annual Report 2011)

6. EFFECTS OF THE ROS

6.1 Share capital and substantial shareholders' shareholdings

The ROS will not have any effect on the issued and paid-up share capital of our Company and the shareholdings of the substantial shareholders in our Company.

6.2 Earnings and EPS

Our Company's average cost of investment in each Offer Warrant is RM0.1185. Based on the Offer Price and assuming full subscription of the Offer Warrants by the Entitled Shareholders and/or their renouncee(s) (if applicable), our Company is expected to realise a gain from the ROS at Company level (after taking into account estimated expenses for the ROS of RM1.0 million) of RM55.4 million and RM58.7 million under the Minimum Scenario and Maximum Scenario respectively.

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6.3 NA and gearing

For illustration purposes, based on the audited consolidated financial statements of our Company as at 30 June 2011 and assuming full subscription of the Offer Warrants and completion of the ROS on that date, the proforma effects of the ROS on the NA and gearing of our Group under the Minimum Scenario and Maximum Scenario are as follows:

	(I)	(II)	(III)	(IV)
		Minimum Scenario		Maximum Scenario
		After (I) and the ROS	After (I) and full exchange of Exchangeable Bonds	After (III) and the ROS
		RM 000		
Audited as at 30 June 2011				
		⁽¹⁾ Including proforma adjustments after 30 June 2011 up to the LPD		
Share capital	952,802	1,061,688	1,123,595	1,123,595
Share premium	1,317,192	1,800,170	2,852,589	2,852,589
Other reserves	(415,426)	(435,572)	(435,572)	(435,572)
Retained profits	9,233,901	9,060,571	9,083,230	⁽³⁾ 9,141,976
Treasury shares, at cost	(722,616)	(372,459)	(372,459)	(372,459)
NA attributable to ordinary equity holders	10,365,853	11,114,398	12,251,383	12,310,129
No. of ordinary shares in issue	9,528,017,190	10,616,871,993	⁽⁴⁾ 11,235,942,126	11,235,942,126
No. of treasury shares	549,312,545	239,754,539	239,754,539	239,754,539
No. of ordinary shares in issue (net of treasury shares)	8,978,704,645	10,377,117,454	10,996,187,587	10,996,187,587
NA attributable to ordinary equity holders per share (RM)	1.15	1.07	1.11	1.12
Total borrowings (RM 000)	28,251,156	⁽⁵⁾ 27,913,407	27,043,796	⁽⁵⁾ 26,898,180
Gearing (times) ⁽⁶⁾	2.73	2.54	2.50	2.19

Notes:

(1) After taking into consideration the following adjustments to share capital, share premium and treasury shares at cost, after 30 June 2011 up to the LPD.

	<u>Share capital</u>	<u>Share premium</u>	<u>Treasury shares, at cost</u>
	<u>RM 000</u>		
337,981,000 YTL Corp Shares repurchased at an average cost of RM1.67 per share	-	-	(565,527)
182,107,000 YTL Corp Shares issued arising from the exercise of ESOS options at the weighted average exercise price of RM0.96 per share	18,211	156,612	-
787,951,284 YTL Corp Shares issued pursuant to YTL Cement Share Exchange Offer and Section 223 Notice at an issue price of RM1.42 per share	78,795	1,040,096	-
118,796,519 YTL Corp Shares issued pursuant to the exchange of USD64.4 million Exchangeable Bonds at the exchange price of RM1.80	11,880	201,954	-
647,539,006 treasury shares with the original purchase cost of RM915,684,908 distributed pursuant to the Share Dividend	-	(915,684)	915,684
Proforma adjustments	108,886	482,978	350,157

Proforma adjustment to the other reserves was due to the acquisition of YTL Cement ICULS pursuant to YTL Cement Share Exchange Offer and Section 223 Notice.
Proforma adjustment to the retained profits was due to the acquisition of ordinary shares of RM0.50 each in YTL Cement and YTL Cement ICULS pursuant to YTL Cement Share Exchange Offer and Section 223 Notice, and the exchange of Exchangeable Bonds in YTL Corp.

(2) Assuming the gain from the ROS of RM55.4 million (net of estimated expenses in relation to the ROS of RM1.0 million) at group level under the Minimum Scenario.

(3) Assuming the gain from the ROS of RM58.7 million (net of estimated expenses in relation to the ROS of RM1.0 million) at group level under the Maximum Scenario.

(4) Assuming the issuance of 619,070,133 new YTL Corp Shares pursuant to the full exchange of the outstanding Exchangeable Bonds as at the LPD.

(5) Assuming RM137.4 million and RM145.6 million from the net proceeds from the ROS under the Minimum Scenario and Maximum Scenario respectively are used to repay borrowings (net of estimated expenses in relation to the ROS of RM1.0 million).

(6) Computed based on total borrowings divided by NA attributable to ordinary equity holders.

7. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL CAPITAL COMMITMENTS OF THE YTL POWER GROUP

7.1 Working capital

The Directors of YTL Power are of the opinion that, after taking into account the funds generated from its existing operations and the financing facilities available to it, the YTL Power Group has adequate working capital to meet its present needs and foreseeable future requirements for the next 12 months from the date of this Prospectus.

7.2 Borrowings

As at 30 June 2012 (being the latest practicable date on which such amounts could be calculated prior to the registration of the Prospectus with the SC), the YTL Power Group has total borrowings as follows:

	Foreign Currency (000)	RM (000)
Short-term borrowings		
<i>Interest bearing</i>		
- RM	-	1,518,020
- SGD	2,700,000	⁽¹⁾ 6,761,610
- USD	199,754	⁽²⁾ 637,115
- GBP	76,628	⁽³⁾ 381,638
		<u>9,298,383</u>
Long-term borrowings		
<i>Interest bearing</i>		
- RM	-	3,791,580
- USD	198,562	⁽²⁾ 633,313
- GBP	1,859,907	⁽³⁾ 9,263,079
		<u>13,687,972</u>
Total		<u>22,986,355</u>

Notes:

⁽¹⁾ Based on the exchange rate of SGD1.00: RM2.5043 (rounded) as at 30 June 2012.

⁽²⁾ Based on the exchange rate of USD1.00: RM3.1895 (rounded) as at 30 June 2012.

⁽³⁾ Based on the exchange rate of GBP1.00: RM4.9804 (rounded) as at 30 June 2012.

There has been no default on payments of either interest or principal sums in respect of any of the above borrowings throughout the financial year ended 30 June 2011, and the subsequent financial periods up to the LPD.

7.3 Contingent liabilities

Save as disclosed below, as at 30 June 2012 (being the latest practicable date on which such amounts could be calculated prior to the registration of the Prospectus with the SC) and to the knowledge of the Directors of YTL Power, there are no material contingent liabilities, which upon becoming enforceable, may have a material impact on the financial position of the YTL Power Group:

- (i) A subsidiary has provided performance guarantees on behalf of its subsidiary in respect of tender for contracts for an amount of RM1.448 million;
- (ii) There is a joint and several shareholders' contingent support with Siemens Financial Services to invest up to a further equity which amounted to RM35.773 million in P.T.Jawa Power, an associate company of the YTL Power Group; and
- (iii) YTL Power has given the corporate guarantees in respect of the following:

	Total
	RM 000
Bank guarantees	133,091
Revolving credit	1,150,430
Term loans	1,773,940
	3,057,461
	SGD 000
Term loans	100,000
	USD 000
Term loans	400,000
	GBP 000
Term loans	100,000

7.4 Material capital commitments

Save as disclosed below, as at 30 June 2012 (being the latest practicable date on which such amounts could be calculated prior to the registration of the Prospectus with the SC) and to the knowledge of the Directors of YTL Power, there are no material capital commitments (planned or contracted for), which upon becoming enforceable, may have a material impact on the financial position of the YTL Power Group.

	RM 000
Property, plant and equipment	
- Authorised and contracted for	1,473,538
- Authorised but not contracted for	-
	<u>1,473,538</u>
Lease rental on sublease of land	
- Not later than 1 year	92,411
- Later than 1 year and not later than 5 years	178,201
- Later than 5 years	136,456
	<u>407,068</u>
	<u>1,880,606</u>

8. PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION

You will find enclosed with this Prospectus, the NPO notifying you of the offer of Provisional Offer Warrants to you and an OAF to enable you to accept the Provisional Offer Warrants. The OAF is also available on the website of Bursa Securities www.bursamalaysia.com.

8.1 NPO

The Provisional Offer Warrants are prescribed securities under Section 14(5) of the Securities Industry (Central Depositories) Act 1991 and therefore, all dealings in the Provisional Offer Warrants will be by book entries through CDS accounts and will be governed by the Securities Industry (Central Depositories) Act 1991, the Securities Industry (Central Depositories) Amendment Act 1998 and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your renounee(s) (if applicable) are required to have valid and subsisting CDS accounts when making applications.

8.2 Procedures for application and acceptance

Acceptance and payment for the Provisional Offer Warrants must be made on the OAF issued together with this Prospectus and must be completed in accordance with the notes and instructions contained in these documents. Applications which do not strictly conform to the terms and conditions of this Prospectus or the OAF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Directors.

The OAF together with a copy of this Prospectus will be sent by our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd, to Entitled Shareholders with registered addresses in Malaysia who are entitled to the ROS. Entitled Shareholders who have not provided our Company with a registered address in Malaysia may collect the OAF together with a copy of this Prospectus from our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd, at the address set out below.

FULL INSTRUCTIONS FOR THE ACCEPTANCE AND PAYMENT FOR THE PROVISIONAL OFFER WARRANTS FOR ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THE OAF. YOU ARE ADVISED TO READ THE OAF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY.

If you wish to accept all or part of the Provisional Offer Warrants, complete Parts I(a) and II of the OAF. Each completed and signed OAF together with the relevant payment must be dispatched by **ORDINARY POST** or **DELIVERED BY HAND** in the official envelope provided (at your own risk) to our Special Share Registrar for the ROS at the following address:

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel.: 603-2264 3883

so as to arrive not later than 5.00 p.m. on 17 October 2012 (or such later day and time as our Directors may decide and announce not less than 2 Market Days before the stipulated day and time).

If you lose, misplace or for any other reasons require another copy of the OAF, you may obtain additional copies from your stockbrokers, Bursa Securities' website www.bursamalaysia.com or our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd.

One OAF must be used for acceptance of the Provisional Offer Warrants standing to the credit of one CDS account. Separate OAF(s) must be used for the acceptance of the Provisional Offer Warrants standing to the credit of more than one CDS account. The Offer Warrants accepted by you will be credited into the CDS accounts where the Provisional Offer Warrants are standing to the credit.

The minimum number of Offer Warrants that can be accepted is one Offer Warrant. Any fractional entitlement of an Offer Warrant arising from the ROS will be dealt with by our Directors in such manner as they deem fit and expedient and in the best interest of our Company and to minimise the incidence of odd lots. However, you should take note that a trading board lot comprises 100 YTL Power Warrants.

Each completed OAF must be accompanied by the appropriate remittance in RM for the full amount payable for the Offer Warrants accepted in the form of Banker's Draft(s) or Cashier's Order(s) or Money Order(s) or Postal Order(s) drawn on a bank in Kuala Lumpur or post office in Malaysia and made payable to "YTL CORP ROS ACCOUNT", crossed "ACCOUNT PAYEE ONLY" and endorsed on the reverse side with your name and address in block letters and your CDS account number. The payment must be made in the exact amount. Any excess or insufficient payment may be rejected at the absolute discretion of our Directors. Cheques or other mode(s) of payment are not acceptable.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE OAF OR APPLICATION MONIES IN RESPECT OF THE ROS. HOWEVER, NOTICES OF ALLOTMENT WILL BE DISPATCHED, IF YOU ARE SUCCESSFUL, BY ORDINARY POST TO THE ADDRESS AS SHOWN IN BURSA DEPOSITORY'S RECORDS AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE LAST DAY FOR THE ACCEPTANCE AND PAYMENT FOR THE OFFER WARRANTS OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR DIRECTORS RESERVE THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.

YOU SHOULD NOTE THAT ALL OAFS AND REMITTANCE SO LODGED WITH OUR SPECIAL SHARE REGISTRAR FOR THE ROS, TRICOR INVESTOR SERVICES SDN BHD, WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY ACCEPTED APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST WITHIN 15 MARKET DAYS FROM THE LAST DAY FOR ACCEPTANCE AND PAYMENT FOR THE OFFER WARRANTS BY ORDINARY POST TO THE ADDRESS AS SHOWN IN BURSA DEPOSITORY'S RECORDS AT YOUR OWN RISK.

If acceptance and payment for the Offer Warrants provisionally offered to you (whether in full or in part, as the case may be) are not received by our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd, by 5.00 p.m. on 17 October 2012 or such later day and time as our Directors in their absolute discretion may decide and announce not less than 2 Market Days before the stipulated day and time, the said Provisional Offer Warrants or remainder thereof (as the case may be) will be deemed to have been declined and will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd.

Our Board will then have the right to allot such Offer Warrants not taken up to applicants for excess Offer Warrants in the manner as set out in Section 2.4 of this Prospectus and if undersubscribed, these Offer Warrants will be retained by our Company.

8.3 Procedures for part acceptance

You are entitled to accept part of your entitlement. The minimum number of Offer Warrants that can be accepted or minimum number of excess Offer Warrants which can be applied for is one Offer Warrant. However, you should take note that a trading board lot comprises 100 YTL Power Warrants.

You have to complete Part I(a) of the OAF by specifying the number of Offer Warrants which you are accepting and Part II of the OAF and deliver the completed and signed OAF together with the relevant payment to our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd, in the same manner as set out in Section 8.2 of this Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE OAF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.

8.4 Procedures for sale/transfer of Provisional Offer Warrants

As the Provisional Offer Warrants are prescribed securities, should you wish to sell/transfer some and accept only part of your entitlement to the Offer Warrants, or sell/transfer all of your entitlement to the Provisional Offer Warrants to more than one person, you may do so immediately through your stockbrokers for the period up to the last day and time for sale of the Provisional Offer Warrants (in accordance with the Rules of Bursa Depository) without first having to request us for a split of the Provisional Offer Warrants standing to the credit of your CDS account. To sell/transfer all or part of your entitlement to the Offer Warrants, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository.

YOU ARE ADVISED TO READ AND ADHERE TO THE OAF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN. IN SELLING/TRANSFERRING ALL OR PART OF YOUR ENTITLEMENT OF OFFER WARRANTS, YOU NEED NOT DELIVER ANY DOCUMENT TO YOUR STOCKBROKERS. YOU ARE HOWEVER ADVISED TO ENSURE THAT YOU HAVE SUFFICIENT NUMBER OF PROVISIONAL OFFER WARRANTS STANDING TO THE CREDIT OF YOUR CDS ACCOUNTS BEFORE TRADING.

If you have sold/transferred only part of the Provisional Offer Warrants, you may still accept the balance of the Provisional Offer Warrants by completing Parts I(a) and II of the OAF. Please refer to Section 8.2 of this Prospectus for the procedures for acceptance and payment.

YOU SHOULD NOTE THAT ALL OAFS AND REMITTANCES SO LODGED WITH OUR SPECIAL SHARE REGISTRAR FOR THE ROS, TRICOR INVESTOR SERVICES SDN BHD, WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.

8.5 Procedures for excess Offer Warrants application

If you wish to apply for additional Offer Warrants in excess of your entitlement, you may do so by completing Part I(b) of the OAF (in addition to Parts I(a) and II) and forwarding it with a separate remittance for the full amount payable for the excess Offer Warrants applied for, to our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd, not later than 5.00 p.m. on 17 October 2012 or such later day and time as our Directors in their absolute discretion may decide and announce not less than 2 Market Days before the stipulated day and time.

Payment for the excess Offer Warrants applied for should be made in the same manner described in Sections 8.2 of this Prospectus except that the Banker's Draft(s) or Cashier's Order(s) or Money Order(s) or Postal Order(s) drawn on a bank in Kuala Lumpur or post office in Malaysia should be made payable to "YTL CORP EXCESS ROS ACCOUNT", crossed "ACCOUNT PAYEE ONLY" and endorsed on the reverse side with your name and address in block letters and your CDS account number. The payment must be made in exact amount. Any excess or insufficient payment may be rejected at the absolute discretion of our Directors. Cheques or other mode(s) of payment are not acceptable.

Our Directors reserve the right to allocate any excess Offer Warrants applied for under the OAF in such manner as they deem fit and expedient and in the interest of our Company. It is their intention to allocate the excess Offer Warrants, if any, on a fair and equitable basis. The basis of allocation of excess Offer Warrants is set out in Section 2.4 of this Prospectus.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE EXCESS OFFER WARRANTS APPLICATION OR THE APPLICATION MONIES IN RESPECT THEREOF. HOWEVER, IF YOU ARE SUCCESSFUL, NOTICES OF ALLOTMENT WILL BE DISPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN BURSA DEPOSITORY'S RECORDS AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE LAST DAY AND TIME FOR APPLICATION AND PAYMENT FOR THE EXCESS OFFER WARRANTS OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS OFFER WARRANTS APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST WITHIN 15 MARKET DAYS FROM THE LAST DAY AND TIME FOR APPLICATION AND PAYMENT FOR THE EXCESS OFFER WARRANTS BY ORDINARY POST TO THE ADDRESS AS SHOWN IN BURSA DEPOSITORY'S RECORDS AT YOUR OWN RISK.

8.6 Procedures for acceptance by renounees

If you wish to accept the Provisional Offer Warrants as a renounee, you must obtain a copy of the OAF from your stockbroker, Bursa Securities' website www.bursamalaysia.com, or our Special Share Registrar for the ROS, Tricor Investor Services Sdn Bhd, complete the OAF and submit the same together with the remittance in accordance with the notes and instructions printed in the OAF. As a renounee, the procedures for acceptance, selling or transferring of the Provisional Offer Warrants, applying for excess Offer Warrants and/or payment is the same as that which is applicable to Entitled Shareholders as described in Sections 8.2 to 8.5 of this Prospectus. Please refer to the relevant sections for the procedures to be followed.

RENOONEES ARE ADVISED TO READ AND ADHERE TO THE OAF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.

8.7 CDS accounts

Bursa Securities has already prescribed the YTL Power Warrants listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Offer Warrants are prescribed securities and as such, all dealings in the Offer Warrants shall be subject to the Securities Industry (Central Depositories) Act 1991, the Securities Industry (Central Depositories) Amendment Act 1998 and the Rules of Bursa Depository. You must have a CDS account in order to accept the Offer Warrants.

Your acceptance of the Offer Warrants shall mean consent to receiving such Offer Warrants as deposited securities which will be credited directly into your CDS account.

If you apply for excess Offer Warrants, you must state your CDS account number and if the Offer Warrants are accepted in full or in part, then such Offer Warrants shall be credited directly into your CDS account.

If you have multiple CDS accounts into which the Provisional Offer Warrants have been credited, you cannot use a single OAF for acceptance of all these Provisional Offer Warrants. **Separate OAF must be used for separate CDS accounts.** If successful, the Offer Warrants that you accepted will be credited into your respective CDS account(s) stated on the completed OAF(s).

8.8 Foreign addressed shareholders

This Prospectus, NPO and the OAF will not be made to comply with the laws of any foreign countries or jurisdictions other than Malaysia, and have not been (and will not be) lodged, registered or approved under any applicable securities or equivalent legislation (or with or by any regulatory authority or other relevant body) of any jurisdiction other than Malaysia.

This Prospectus, NPO and the OAF are not intended to be (and will not be) issued, circulated or distributed and the ROS will not be made or offered or deemed made or offered, in any country or jurisdiction other than Malaysia or to persons who are or may be subject to the laws of any countries or jurisdictions other than the laws of Malaysia. The ROS to which this Prospectus relates is only available to persons receiving this Prospectus, NPO and the OAF or otherwise within Malaysia.

If you are a foreign addressed shareholder, YTL Corp will not make or be bound to make any enquiry as to whether you have a registered address or service address in Malaysia as stated in our Record of Depositors as at the Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith. YTL Corp will assume that the ROS and the acceptance thereof by you would be in compliance with the terms of the ROS and would not be in breach of the laws of any jurisdiction. YTL Corp will further assume that you had accepted the ROS in Malaysia and will at all applicable times be subject to the laws of Malaysia.

The foreign Entitled Shareholder and/or the renouncee(s) (if applicable) may only accept or renounce all or any part of the ROS to the extent that it would be lawful to do so, and our Company, YTL Power and their Directors and officers, CIMB and/or other experts would not, in connection with the ROS, be in breach of the laws of any countries or jurisdictions to which that foreign Entitled Shareholder and/or the renouncee(s) (if applicable) is or might be subject to. The foreign Entitled Shareholder and/or the renouncee(s) (if applicable) shall be solely responsible to seek advice from their legal and/or professional advisers as to the laws of the countries or jurisdictions to which the ROS or such persons are or might be subject to. Participation by the foreign Entitled Shareholder in the ROS shall be on the basis of a warranty by the foreign Entitled Shareholder that he may lawfully so participate without our Company, YTL Power and their Directors and officers, and CIMB being in breach of the laws of any jurisdiction. Our Company, YTL Power and their Directors and officers, CIMB and/or other experts shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any foreign Entitled Shareholders is or shall become unlawful, unenforceable, voidable or void in any such countries or jurisdictions. The foreign Entitled Shareholder will also have no claims whatsoever against our Company, YTL Power and their Directors and officers, and CIMB in respect of their entitlement or to any net proceeds thereof.

However, YTL Corp reserves the right, in its absolute discretion, to treat any acceptance as invalid, if YTL Corp believes that such acceptance may violate applicable legal or regulatory requirements.

By signing any of the forms accompanying this Prospectus and OAF, the foreign Entitled Shareholder and/or the renouncee is deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) CIMB, other experts and our Company, and our Directors and officers that:

- (i) we would not, by acting on the acceptance or renunciation in connection with the ROS, be in breach of the laws of any jurisdictions to which that foreign Entitled Shareholder or renouncee is or might be subject to;
- (ii) the foreign Entitled Shareholder or renouncee has complied with the laws to which the foreign Entitled Shareholder or renouncee is or might be subject to in connection with the acceptance or renunciation;
- (iii) the foreign Entitled Shareholder or renouncee is not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdictions to which that person is or might be subject to;
- (iv) the foreign Entitled Shareholder or renouncee is aware that the Offer Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- (v) the foreign Entitled Shareholder or renouncee has received a copy of this Prospectus and has had access to such financial and other information and has been provided the opportunity to ask such questions to our representatives and receives answers thereto as the foreign Entitled Shareholder or renouncee deems necessary in connection with the foreign Entitled Shareholder or renouncee's decision to subscribe or purchase the Offer Warrants; and
- (vi) the foreign Entitled Shareholder or renouncee has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Offer Warrants, and is and will be able, and is prepared to bear the economic and financial risks of investing in and holding the Offer Warrants.

9. TERMS AND CONDITIONS

The ROS is governed by the terms and conditions set out in this Prospectus and in the accompanying NPO and OAF.

10. ADDITIONAL INFORMATION

You are requested to refer to the attached Appendices for additional information.

Yours faithfully
for and on behalf of the Board of Directors
of **YTL CORPORATION BERHAD**



Y. BHG. TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING, CBE, FICE
Managing Director

INFORMATION ON YTL POWER

1. History and business

YTL Power was incorporated in Malaysia on 18 October 1996 under the Companies Act, 1965 as a private limited company under the name of YTL Power International Sdn Bhd. It was subsequently converted into a public company on 18 January 1997 and assumed its present name. YTL Power has been listed on the Main Market of Bursa Securities since 23 May 1997.

The principal activities of YTL Power are investment holding and the provision of administrative and technical support services. The principal activities of its subsidiaries and associate companies are set out in Section 5 of this Appendix.

2. Share capital

The authorised and issued and paid-up share capital of YTL Power as at the LPD are as follows:

Type	Total RM
Authorised	
22,730,000,000 ordinary shares of RM0.50 each	11,365,000,000.00
Issued and paid-up*	
7,334,757,811 ordinary shares of RM0.50 each	3,667,378,905.50

Note:

* Including 56,725,045 YTL Power Shares held as treasury shares as at the LPD.

Details of the changes in the issued and paid-up share capital of YTL Power for the past 3 years up until the LPD are as follows:

Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
			Issued and paid-up share capital as at 04.09.2009	2,971,736,051.50
08.09.2009	20,000	0.50	Exercise of ESOS options	2,971,746,051.50
08.09.2009	8,301,899	0.50	Exercise of 2000/2010 Warrants	2,975,897,001.00
08.09.2009	163,200	0.50	Exercise of 2008/2018 Warrants	2,975,978,601.00
15.09.2009	5,530,599	0.50	Exercise of 2000/2010 Warrants	2,978,743,900.50
15.09.2009	947,866	0.50	Exercise of 2008/2018 Warrants	2,979,217,833.50
24.09.2009	4,117,799	0.50	Exercise of 2000/2010 Warrants	2,981,276,733.00
24.09.2009	19,300	0.50	Exercise of 2008/2018 Warrants	2,981,286,383.00
02.10.2009	1,000,200	0.50	Exercise of 2000/2010 Warrants	2,981,786,483.00
02.10.2009	523,400	0.50	Exercise of 2008/2018 Warrants	2,982,048,183.00
09.10.2009	66,000	0.50	Exercise of ESOS options	2,982,081,183.00

APPENDIX I

Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
09.10.2009	70,000	0.50	Exercise of ESOS options	2,982,116,183.00
09.10.2009	1,512,502	0.50	Exercise of 2000/2010 Warrants	2,982,872,434.00
09.10.2009	1,633,876	0.50	Exercise of 2008/2018 Warrants	2,983,689,372.00
16.10.2009	1,958,762	0.50	Exchange of USD1,000,000 bonds due 2010	2,984,668,753.00
16.10.2009	893,600	0.50	Exercise of 2000/2010 Warrants	2,985,115,553.00
16.10.2009	1,088,471	0.50	Exercise of 2008/2018 Warrants	2,985,659,788.50
23.10.2009	936,632	0.50	Exercise of 2000/2010 Warrants	2,986,128,104.50
23.10.2009	945,100	0.50	Exercise of 2008/2018 Warrants	2,986,600,654.50
30.10.2009	497,656	0.50	Exercise of 2000/2010 Warrants	2,986,849,482.50
30.10.2009	517,556	0.50	Exercise of 2008/2018 Warrants	2,987,108,260.50
06.11.2009	206,300	0.50	Exercise of 2000/2010 Warrants	2,987,211,410.50
06.11.2009	400,188	0.50	Exercise of 2008/2018 Warrants	2,987,411,504.50
12.11.2009	260,000	0.50	Exercise of ESOS options	2,987,541,504.50
12.11.2009	134,000	0.50	Exercise of ESOS options	2,987,608,504.50
12.11.2009	149,000	0.50	Exercise of ESOS options	2,987,683,004.50
12.11.2009	50,000	0.50	Exercise of ESOS options	2,987,708,004.50
12.11.2009	14,000	0.50	Exercise of ESOS options	2,987,715,004.50
12.11.2009	120,896	0.50	Exercise of 2000/2010 Warrants	2,987,775,452.50
12.11.2009	564,335	0.50	Exercise of 2008/2018 Warrants	2,988,057,620.00
19.11.2009	12,536,081	0.50	Exchange of USD6,400,000 bonds due 2010	2,994,325,660.50
19.11.2009	110,000	0.50	Exercise of ESOS options	2,994,380,660.50
19.11.2009	1,182,171	0.50	Exercise of 2000/2010 Warrants	2,994,971,746.00
19.11.2009	339,529	0.50	Exercise of 2008/2018 Warrants	2,995,141,510.50
26.11.2009	9,010,308	0.50	Exchange of USD4,600,000 bonds due 2010	2,999,646,664.50
26.11.2009	150,000	0.50	Exercise of ESOS options	2,999,721,664.50
26.11.2009	33,500	0.50	Exercise of ESOS options	2,999,738,414.50
26.11.2009	727,626,506	0.50	Exercise of 2000/2010 Warrants	3,363,551,667.50
26.11.2009	4,004,195	0.50	Exercise of 2008/2018 Warrants	3,365,553,765.00
04.12.2009	680,000	0.50	Exercise of ESOS options	3,365,893,765.00
04.12.2009	357,000	0.50	Exercise of ESOS options	3,366,072,265.00
04.12.2009	50,000	0.50	Exercise of ESOS options	3,366,097,265.00
04.12.2009	549,754	0.50	Exercise of 2000/2010 Warrants	3,366,372,142.00
04.12.2009	696,356	0.50	Exercise of 2008/2018 Warrants	3,366,720,320.00
08.12.2009	3,917,524	0.50	Exchange of USD2,000,000 bonds due 2010	3,368,679,082.00
11.12.2009	431,154	0.50	Exercise of 2000/2010 Warrants	3,368,894,659.00

APPENDIX I

Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
11.12.2009	447,550	0.50	Exercise of 2008/2018 Warrants	3,369,118,434.00
17.12.2009	7,713,951	0.50	Exercise of 2000/2010 Warrants	3,372,975,409.50
17.12.2009	770,877	0.50	Exercise of 2008/2018 Warrants	3,373,360,848.00
24.12.2009	120,000	0.50	Exercise of ESOS options	3,373,420,848.00
24.12.2009	34,000	0.50	Exercise of ESOS options	3,373,437,848.00
24.12.2009	4,542,000	0.50	Exercise of 2000/2010 Warrants	3,375,708,848.00
24.12.2009	5,254,566	0.50	Exercise of 2008/2018 Warrants	3,378,336,131.00
30.12.2009	1,295,246	0.50	Exercise of 2000/2010 Warrants	3,378,983,754.00
05.01.2010	86,786	0.50	Exercise of 2008/2018 Warrants	3,379,027,147.00
06.01.2010	1,690,948	0.50	Exercise of 2000/2010 Warrants	3,379,872,621.00
06.01.2010	50,000	0.50	Exercise of ESOS options	3,379,897,621.00
06.01.2010	100,000	0.50	Exercise of ESOS options	3,379,947,621.00
12.01.2010	597,500	0.50	Exercise of 2008/2018 Warrants	3,380,246,371.00
13.01.2010	53,040,680	0.50	Exercise of 2000/2010 Warrants	3,406,766,711.00
18.01.2010	18,000	0.50	Exercise of 2000/2010 Warrants	3,406,775,711.00
20.01.2010	23,500	0.50	Exercise of 2000/2010 Warrants	3,406,787,461.00
22.01.2010	5,720,429	0.50	Exchange of USD2,800,000 bonds due 2010	3,409,647,675.50
22.01.2010	28,231	0.50	Exercise of 2008/2018 Warrants	3,409,661,791.00
02.02.2010	29,827,954	0.50	Exchange of USD14,600,000 bonds due 2010	3,424,575,768.00
02.02.2010	619,337	0.50	Exercise of 2008/2018 Warrants	3,424,885,436.50
08.02.2010	2,451,612	0.50	Exchange of USD1,200,000 bonds due 2010	3,426,111,242.50
08.02.2010	385,500	0.50	Exercise of ESOS options	3,426,303,992.50
08.02.2010	25,500	0.50	Exercise of ESOS options	3,426,316,742.50
08.02.2010	503,400	0.50	Exercise of 2008/2018 Warrants	3,426,568,442.50
18.02.2010	5,311,826	0.50	Exchange of USD2,600,000 bonds due 2010	3,429,224,355.50
18.02.2010	152,300	0.50	Exercise of 2008/2018 Warrants	3,429,300,505.50
23.02.2010	270,000	0.50	Exercise of ESOS options	3,429,435,505.50
23.02.2010	55,000	0.50	Exercise of ESOS options	3,429,463,005.50
01.03.2010	390,346	0.50	Exercise of 2008/2018 Warrants	3,429,658,178.50
04.03.2010	22,000	0.50	Exercise of ESOS options	3,429,669,178.50
04.03.2010	13,279,567	0.50	Exchange of USD6,500,000 bonds due 2010	3,436,308,962.00
08.03.2010	11,934,201	0.50	Exercise of 2008/2018 Warrants	3,442,276,062.50
10.03.2010	9,806,449	0.50	Exchange of USD4,800,000 bonds due 2010	3,447,179,287.00

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Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
10.03.2010	800,000	0.50	Exercise of ESOS options	3,447,579,287.00
10.03.2010	5,260,000	0.50	Exercise of ESOS options	3,450,209,287.00
15.03.2010	572,412	0.50	Exercise of 2008/2018 Warrants	3,450,495,493.00
17.03.2010	72,935,481	0.50	Exchange of USD35,700,000 bonds due 2010	3,486,963,233.50
17.03.2010	120,000	0.50	Exercise of ESOS options	3,487,023,233.50
17.03.2010	263,000	0.50	Exercise of ESOS options	3,487,154,733.50
22.03.2010	887,352	0.50	Exercise of 2008/2018 Warrants	3,487,598,409.50
25.03.2010	49,440,857	0.50	Exchange of USD24,200,000 bonds due 2010	3,512,318,838.00
30.03.2010	19,000	0.50	Exercise of ESOS options	3,512,328,338.00
30.03.2010	2,000	0.50	Exercise of 2008/2018 Warrants	3,512,329,338.00
06.04.2010	22,881,719	0.50	Exchange of USD11,200,000 bonds due 2010	3,523,770,197.50
06.04.2010	3,417	0.50	Exercise of 2008/2018 Warrants	3,523,771,906.00
13.04.2010	854,700	0.50	Exercise of 2008/2018 Warrants	3,524,199,256.00
14.04.2010	240,000	0.50	Exercise of ESOS options	3,524,319,256.00
14.04.2010	11,849,459	0.50	Exchange of USD5,800,000 bonds due 2010	3,530,243,985.50
20.04.2010	1,055,650	0.50	Exercise of 2008/2018 Warrants	3,530,771,810.50
22.04.2010	124,623,650	0.50	Exchange of USD61,000,000 bonds due 2010	3,593,083,635.50
23.04.2010	100,000	0.50	Exercise of ESOS options	3,593,133,635.50
23.04.2010	40,100	0.50	Exercise of ESOS options	3,593,153,685.50
23.04.2010	100,000	0.50	Exercise of ESOS options	3,593,203,685.50
27.04.2010	346,200	0.50	Exercise of 2008/2018 Warrants	3,593,376,785.50
04.05.2010	35,000	0.50	Exercise of ESOS options	3,593,394,285.50
04.05.2010	68,000	0.50	Exercise of ESOS options	3,593,428,285.50
05.05.2010	403,893	0.50	Exercise of 2008/2018 Warrants	3,593,630,232.00
13.05.2010	66,000	0.50	Exercise of ESOS options	3,593,663,232.00
13.05.2010	423,956	0.50	Exercise of 2008/2018 Warrants	3,593,875,210.00
20.05.2010	973,916	0.50	Exercise of 2008/2018 Warrants	3,594,362,168.00
31.05.2010	21,000	0.50	Exercise of ESOS options	3,594,372,668.00
31.05.2010	14,500	0.50	Exercise of ESOS options	3,594,379,918.00
02.06.2010	138,000	0.50	Exercise of 2008/2018 Warrants	3,594,448,918.00
08.06.2010	150,000	0.50	Exercise of ESOS options	3,594,523,918.00
08.06.2010	11,000	0.50	Exercise of ESOS options	3,594,529,418.00
08.06.2010	1,875,484	0.50	Exercise of 2008/2018 Warrants	3,595,467,160.00
14.06.2010	1,771,614	0.50	Exercise of 2008/2018 Warrants	3,596,352,967.00

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Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
21.06.2010	53,241,489	0.50	Exercise of 2008/2018 Warrants	3,622,973,711.50
23.06.2010	100,000	0.50	Exercise of ESOS options	3,623,023,711.50
23.06.2010	34,000	0.50	Exercise of ESOS options	3,623,040,711.50
23.06.2010	200,000	0.50	Exercise of ESOS options	3,623,140,711.50
29.06.2010	214,280	0.50	Exercise of 2008/2018 Warrants	3,623,247,851.50
30.06.2010	50,000	0.50	Exercise of ESOS options	3,623,272,851.50
07.07.2010	5,800	0.50	Exercise of 2008/2018 Warrants	3,623,275,751.50
16.07.2010	109,500	0.50	Exercise of 2008/2018 Warrants	3,623,330,501.50
21.07.2010	120,000	0.50	Exercise of ESOS options	3,623,390,501.50
21.07.2010	34,000	0.50	Exercise of ESOS options	3,623,407,501.50
29.07.2010	860,400	0.50	Exercise of 2008/2018 Warrants	3,623,837,701.50
04.08.2010	100,000	0.50	Exercise of ESOS options	3,623,887,701.50
06.08.2010	943,200	0.50	Exercise of 2008/2018 Warrants	3,624,359,301.50
13.08.2010	240,000	0.50	Exercise of ESOS options	3,624,479,301.50
13.08.2010	34,000	0.50	Exercise of ESOS options	3,624,496,301.50
13.08.2010	70,000	0.50	Exercise of ESOS options	3,624,531,301.50
13.08.2010	136,192	0.50	Exercise of 2008/2018 Warrants	3,624,599,397.50
24.08.2010	124,000	0.50	Exercise of 2008/2018 Warrants	3,624,661,397.50
02.09.2010	258,664	0.50	Exercise of 2008/2018 Warrants	3,624,790,729.50
06.09.2010	240,000	0.50	Exercise of ESOS options	3,624,910,729.50
06.09.2010	34,000	0.50	Exercise of ESOS options	3,624,927,729.50
06.09.2010	100,000	0.50	Exercise of ESOS options	3,624,977,729.50
09.09.2010	251,700	0.50	Exercise of 2008/2018 Warrants	3,625,103,579.50
20.09.2010	46,600	0.50	Exercise of 2008/2018 Warrants	3,625,126,879.50
22.09.2010	35,000	0.50	Exercise of ESOS options	3,625,144,379.50
22.09.2010	186,000	0.50	Exercise of ESOS options	3,625,237,379.50
22.09.2010	50,000	0.50	Exercise of ESOS options	3,625,262,379.50
22.09.2010	50,000	0.50	Exercise of ESOS options	3,625,287,379.50
22.09.2010	17,500	0.50	Exercise of ESOS options	3,625,296,129.50
27.09.2010	1,526,864	0.50	Exercise of 2008/2018 Warrants	3,626,059,561.50
05.10.2010	15,300	0.50	Exercise of 2008/2018 Warrants	3,626,067,211.50
13.10.2010	100,000	0.50	Exercise of ESOS options	3,626,117,211.50
13.10.2010	76,771	0.50	Exercise of 2008/2018 Warrants	3,626,155,597.00
19.10.2010	100,000	0.50	Exercise of ESOS options	3,626,205,597.00
20.10.2010	79,300	0.50	Exercise of 2008/2018 Warrants	3,626,245,247.00
26.10.2010	34,000	0.50	Exercise of ESOS options	3,626,262,247.00
26.10.2010	29,809	0.50	Exercise of 2008/2018 Warrants	3,626,277,151.50

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Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
02.11.2010	78,126	0.50	Exercise of 2008/2018 Warrants	3,626,316,214.50
10.11.2010	50,000	0.50	Exercise of ESOS options	3,626,341,214.50
10.11.2010	34,000	0.50	Exercise of ESOS options	3,626,358,214.50
10.11.2010	40,000	0.50	Exercise of ESOS options	3,626,378,214.50
10.11.2010	34,000	0.50	Exercise of ESOS options	3,626,395,214.50
10.11.2010	2,800	0.50	Exercise of 2008/2018 Warrants	3,626,396,614.50
19.11.2010	100,000	0.50	Exercise of ESOS options	3,626,446,614.50
19.11.2010	200,000	0.50	Exercise of ESOS options	3,626,546,614.50
19.11.2010	18,672	0.50	Exercise of 2008/2018 Warrants	3,626,555,950.50
26.11.2010	12,785,070	0.50	Exercise of 2008/2018 Warrants	3,632,948,485.50
03.12.2010	14,014	0.50	Exercise of 2008/2018 Warrants	3,632,955,492.50
08.12.2010	17,000	0.50	Exercise of ESOS options	3,632,963,992.50
08.12.2010	100,000	0.50	Exercise of ESOS options	3,633,013,992.50
08.12.2010	3,273,000	0.50	Exercise of ESOS options	3,634,650,492.50
08.12.2010	84,350	0.50	Exercise of ESOS options	3,634,692,667.50
08.12.2010	28,500	0.50	Exercise of ESOS options	3,634,706,917.50
08.12.2010	27,000	0.50	Exercise of ESOS options	3,634,720,417.50
14.12.2010	1,200	0.50	Exercise of 2008/2018 Warrants	3,634,721,017.50
17.12.2010	53,000	0.50	Exercise of ESOS options	3,634,747,517.50
21.12.2010	5,500	0.50	Exercise of 2008/2018 Warrants	3,634,750,267.50
28.12.2010	15,942	0.50	Exercise of 2008/2018 Warrants	3,634,758,238.50
30.12.2010	360,000	0.50	Exercise of ESOS options	3,634,938,238.50
05.01.2011	5,199	0.50	Exercise of 2008/2018 Warrants	3,634,940,838.00
06.01.2011	10,000	0.50	Exercise of ESOS options	3,634,945,838.00
13.01.2011	300	0.50	Exercise of 2008/2018 Warrants	3,634,945,988.00
24.01.2011	700	0.50	Exercise of 2008/2018 Warrants	3,634,946,338.00
24.01.2011	125,000	0.50	Exercise of ESOS options	3,635,008,838.00
24.01.2011	115,500	0.50	Exercise of ESOS options	3,635,066,588.00
31.01.2011	100,000	0.50	Exercise of ESOS options	3,635,116,588.00
10.02.2011	102,000	0.50	Exercise of ESOS options	3,635,167,588.00
10.02.2011	34,000	0.50	Exercise of ESOS options	3,635,184,588.00
10.02.2011	100,000	0.50	Exercise of ESOS options	3,635,234,588.00
21.02.2011	17,829	0.50	Exercise of 2008/2018 Warrants	3,635,243,502.50
21.02.2011	800,000	0.50	Exercise of ESOS options	3,635,643,502.50
21.02.2011	101,500	0.50	Exercise of ESOS options	3,635,694,252.50
28.02.2011	100,000	0.50	Exercise of ESOS options	3,635,744,252.50
28.02.2011	68,000	0.50	Exercise of ESOS options	3,635,778,252.50

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Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
28.02.2011	34,000	0.50	Exercise of ESOS options	3,635,795,252.50
07.03.2011	35,000	0.50	Exercise of ESOS options	3,635,812,752.50
07.03.2011	120,000	0.50	Exercise of ESOS options	3,635,872,752.50
07.03.2011	34,000	0.50	Exercise of ESOS options	3,635,889,752.50
07.03.2011	5,500	0.50	Exercise of ESOS options	3,635,892,502.50
07.03.2011	33,500	0.50	Exercise of 2008/2018 Warrants	3,635,909,252.50
14.03.2011	176,000	0.50	Exercise of ESOS options	3,635,997,252.50
14.03.2011	3,403,000	0.50	Exercise of ESOS options	3,637,698,752.50
14.03.2011	47,000	0.50	Exercise of ESOS options	3,637,722,252.50
16.03.2011	20,500	0.50	Exercise of 2008/2018 Warrants	3,637,732,502.50
24.03.2011	3,849	0.50	Exercise of 2008/2018 Warrants	3,637,734,427.00
04.04.2011	17,037	0.50	Exercise of 2008/2018 Warrants	3,637,742,945.50
04.04.2011	34,000	0.50	Exercise of ESOS options	3,637,759,945.50
04.04.2011	34,000	0.50	Exercise of ESOS options	3,637,776,945.50
11.04.2011	5,000	0.50	Exercise of ESOS options	3,637,779,445.50
11.04.2011	85,000	0.50	Exercise of ESOS options	3,637,821,945.50
11.04.2011	2,000	0.50	Exercise of ESOS options	3,637,822,945.50
18.04.2011	50,000	0.50	Exercise of ESOS options	3,637,847,945.50
18.04.2011	76,000	0.50	Exercise of ESOS options	3,637,885,945.50
18.04.2011	34,000	0.50	Exercise of ESOS options	3,637,902,945.50
18.04.2011	2,000	0.50	Exercise of 2008/2018 Warrants	3,637,903,945.50
21.04.2011	134,000	0.50	Exercise of ESOS options	3,637,970,945.50
21.04.2011	25,000	0.50	Exercise of ESOS options	3,637,983,445.50
29.04.2011	34,000	0.50	Exercise of ESOS options	3,638,000,445.50
29.04.2011	100,000	0.50	Exercise of ESOS options	3,638,050,445.50
29.04.2011	10,500	0.50	Exercise of ESOS options	3,638,055,695.50
05.05.2011	4,300	0.50	Exercise of 2008/2018 Warrants	3,638,057,845.50
12.05.2011	5,400	0.50	Exercise of 2008/2018 Warrants	3,638,060,545.50
18.05.2011	400,000	0.50	Exercise of ESOS options	3,638,260,545.50
18.05.2011	150,000	0.50	Exercise of ESOS options	3,638,335,545.50
18.05.2011	2,000	0.50	Exercise of 2008/2018 Warrants	3,638,336,545.50
02.06.2011	300,000	0.50	Exercise of ESOS options	3,638,486,545.50
02.06.2011	199,000	0.50	Exercise of ESOS options	3,638,586,045.50
02.06.2011	34,000	0.50	Exercise of ESOS options	3,638,603,045.50
06.06.2011	57,800	0.50	Exercise of 2008/2018 Warrants	3,638,631,945.50
10.06.2011	75,000	0.50	Exercise of ESOS options	3,638,669,445.50
10.06.2011	92,000	0.50	Exercise of ESOS options	3,638,715,445.50

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Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
10.06.2011	34,000	0.50	Exercise of ESOS options	3,638,732,445.50
15.06.2011	161,825	0.50	Exercise of 2008/2018 Warrants	3,638,813,358.00
21.06.2011	3,520	0.50	Exercise of 2008/2018 Warrants	3,638,815,118.00
21.06.2011	120,000	0.50	Exercise of ESOS options	3,638,875,118.00
21.06.2011	34,000	0.50	Exercise of ESOS options	3,638,892,118.00
21.06.2011	10,000	0.50	Exercise of ESOS options	3,638,897,118.00
21.06.2011	41,000	0.50	Exercise of ESOS options	3,638,917,618.00
21.06.2011	500,000	0.50	Exercise of ESOS options	3,639,167,618.00
30.06.2011	68,000	0.50	Exercise of ESOS options	3,639,201,618.00
30.06.2011	160,000	0.50	Exercise of ESOS options	3,639,281,618.00
30.06.2011	365,000	0.50	Exercise of ESOS options	3,639,464,118.00
30.06.2011	66,000	0.50	Exercise of ESOS options	3,639,497,118.00
01.07.2011	43,000	0.50	Exercise of 2008/2018 Warrants	3,639,518,618.00
11.07.2011	26,000	0.50	Exercise of ESOS options	3,639,531,618.00
11.07.2011	5,000	0.50	Exercise of ESOS options	3,639,534,118.00
18.07.2011	200,000	0.50	Exercise of ESOS options	3,639,634,118.00
18.07.2011	250,000	0.50	Exercise of ESOS options	3,639,759,118.00
18.07.2011	48,000	0.50	Exercise of ESOS options	3,639,783,118.00
18.07.2011	10,000	0.50	Exercise of ESOS options	3,639,788,118.00
18.07.2011	14,000	0.50	Exercise of ESOS options	3,639,795,118.00
25.07.2011	70,000	0.50	Exercise of ESOS options	3,639,830,118.00
25.07.2011	84,000	0.50	Exercise of ESOS options	3,639,872,118.00
25.07.2011	163,000	0.50	Exercise of ESOS options	3,639,953,618.00
01.08.2011	190,000	0.50	Exercise of ESOS options	3,640,048,618.00
08.01.2011	50,000	0.50	Exercise of ESOS options	3,640,073,618.00
01.08.2011	120,000	0.50	Exercise of ESOS options	3,640,133,618.00
01.08.2011	105,000	0.50	Exercise of ESOS options	3,640,186,118.00
01.08.2011	34,000	0.50	Exercise of ESOS options	3,640,203,118.00
01.08.2011	251,000	0.50	Exercise of ESOS options	3,640,328,618.00
01.08.2011	304,000	0.50	Exercise of ESOS options	3,640,480,618.00
01.08.2011	10,000	0.50	Exercise of ESOS options	3,640,485,618.00
08.08.2011	2,535	0.50	Exercise of 2008/2018 Warrants	3,640,486,885.50
08.08.2011	260,000	0.50	Exercise of ESOS options	3,640,616,885.50
08.08.2011	45,000	0.50	Exercise of ESOS options	3,640,639,385.50
08.08.2011	29,000	0.50	Exercise of ESOS options	3,640,653,885.50
08.08.2011	33,000	0.50	Exercise of ESOS options	3,640,670,385.50
08.08.2011	41,000	0.50	Exercise of ESOS options	3,640,690,885.50

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Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
15.08.2011	105,000	0.50	Exercise of ESOS options	3,640,743,385.50
15.08.2011	300,000	0.50	Exercise of ESOS options	3,640,893,385.50
15.08.2011	15,000	0.50	Exercise of ESOS options	3,640,900,885.50
22.08.2011	46,000	0.50	Exercise of ESOS options	3,640,923,885.50
22.08.2011	150,000	0.50	Exercise of ESOS options	3,640,998,885.50
29.08.2011	66,000	0.50	Exercise of ESOS options	3,641,031,885.50
29.08.2011	120,000	0.50	Exercise of ESOS options	3,641,091,885.50
29.08.2011	5,000	0.50	Exercise of ESOS options	3,641,094,385.50
09.09.2011	4,750	0.50	Exercise of ESOS options	3,641,096,760.50
19.09.2011	1,300	0.50	Exercise of 2008/2018 Warrants	3,641,097,410.50
19.09.2011	70,000	0.50	Exercise of ESOS options	3,641,132,410.50
19.09.2011	68,000	0.50	Exercise of ESOS options	3,641,166,410.50
19.09.2011	179,000	0.50	Exercise of ESOS options	3,641,255,910.50
23.09.2011	56,000	0.50	Exercise of ESOS options	3,641,283,910.50
23.09.2011	50,000	0.50	Exercise of ESOS options	3,641,308,910.50
23.09.2011	350,000	0.50	Exercise of ESOS options	3,641,483,910.50
23.09.2011	10,000	0.50	Exercise of ESOS options	3,641,488,910.50
23.09.2011	34,000	0.50	Exercise of ESOS options	3,641,505,910.50
30.09.2011	130,000	0.50	Exercise of ESOS options	3,641,570,910.50
30.09.2011	34,000	0.50	Exercise of ESOS options	3,641,587,910.50
07.10.2011	70,000	0.50	Exercise of ESOS options	3,641,622,910.50
07.10.2011	34,000	0.50	Exercise of ESOS options	3,641,639,910.50
18.10.2011	334,000	0.50	Exercise of ESOS options	3,641,806,910.50
18.10.2011	33,500	0.50	Exercise of 2008/2018 Warrants	3,641,823,660.50
28.10.2011	5,229,270	0.50	Exercise of 2008/2018 Warrants	3,644,438,295.50
28.10.2011	295,000	0.50	Exercise of ESOS options	3,644,585,795.50
28.10.2011	34,000	0.50	Exercise of ESOS options	3,644,602,795.50
28.10.2011	12,000	0.50	Exercise of ESOS options	3,644,608,795.50
03.11.2011	68,000	0.50	Exercise of ESOS options	3,644,642,795.50
03.11.2011	61,000	0.50	Exercise of ESOS options	3,644,673,295.50
03.11.2011	4,000	0.50	Exercise of ESOS options	3,644,675,295.50
03.11.2011	613,000	0.50	Exercise of ESOS options	3,644,981,795.50
09.11.2011	31,060,000	0.50	Exercise of ESOS options	3,660,511,795.50
09.11.2011	168,000	0.50	Exercise of ESOS options	3,660,595,795.50
18.11.2011	125,000	0.50	Exercise of ESOS options	3,660,658,295.50
18.11.2011	34,000	0.50	Exercise of ESOS options	3,660,675,295.50
18.11.2011	180,000	0.50	Exercise of ESOS options	3,660,765,295.50

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Date of allotment	No. of ordinary shares allotted	Par value	Type of issue/Consideration	Total issued and paid-up share capital
		RM		RM
18.11.2011	13,000	0.50	Exercise of ESOS options	3,660,771,795.50
18.11.2011	34,000	0.50	Exercise of ESOS options	3,660,788,795.50
25.11.2011	249,000	0.50	Exercise of ESOS options	3,660,913,295.50
25.11.2011	134,000	0.50	Exercise of ESOS options	3,660,980,295.50
25.11.2011	735,000	0.50	Exercise of ESOS options	3,661,347,795.50
25.11.2011	34,000	0.50	Exercise of ESOS options	3,661,364,795.50
01.12.2011	937	0.50	Exercise of 2008/2018 Warrants	3,661,365,264.00
01.12.2011	329,500	0.50	Exercise of ESOS options	3,661,530,014.00
01.12.2011	34,000	0.50	Exercise of ESOS options	3,661,547,014.00
01.12.2011	590,000	0.50	Exercise of ESOS options	3,661,842,014.00
01.12.2011	639,900	0.50	Exercise of ESOS options	3,662,161,964.00
01.12.2011	68,600	0.50	Exercise of ESOS options	3,662,196,264.00
12.12.2011	4,800	0.50	Exercise of 2008/2018 Warrants	3,662,198,664.00
19.01.2012	2,700	0.50	Exercise of 2008/2018 Warrants	3,662,200,014.00
06.03.2012	95,901	0.50	Exercise of 2008/2018 Warrants	3,662,247,964.50
16.03.2012	600	0.50	Exercise of 2008/2018 Warrants	3,662,248,264.50
26.03.2012	400	0.50	Exercise of 2008/2018 Warrants	3,662,248,464.50
09.04.2012	670,900	0.50	Exercise of 2008/2018 Warrants	3,662,583,914.50
17.04.2012	1,263,500	0.50	Exercise of 2008/2018 Warrants	3,663,215,664.50
24.04.2012	120,000	0.50	Exercise of 2008/2018 Warrants	3,663,275,664.50
30.04.2012	52,400	0.50	Exercise of 2008/2018 Warrants	3,663,301,864.50
01.06.2012	1,642,405	0.50	Exercise of 2008/2018 Warrants	3,664,123,067.00
08.06.2012	3,600	0.50	Exercise of 2008/2018 Warrants	3,664,124,867.00
18.06.2012	7,043	0.50	Exercise of 2008/2018 Warrants	3,664,128,388.50
03.07.2012	644,397	0.50	Exercise of 2008/2018 Warrants	3,664,450,587.00
10.07.2012	1,150,000	0.50	Exercise of 2008/2018 Warrants	3,665,025,587.00
24.07.2012	1,159,200	0.50	Exercise of 2008/2018 Warrants	3,665,605,187.00
30.07.2012	2,574,900	0.50	Exercise of 2008/2018 Warrants	3,666,892,637.00
07.08.2012	657,637	0.50	Exercise of 2008/2018 Warrants	3,667,221,455.50
15.08.2012	100,600	0.50	Exercise of 2008/2018 Warrants	3,667,271,755.50
23.08.2012	214,300	0.50	Exercise of 2008/2018 Warrants	3,667,378,905.50

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3. Substantial shareholders

The substantial shareholders of YTL Power and their respective direct and indirect shareholdings in YTL Power based on the Register of Substantial Shareholders of YTL Power as at the LPD and their direct and indirect shareholdings in YTL Power after the ROS under the Minimum Scenario and Maximum Scenario are as follows:

(a) Minimum Scenario

Name	⁽¹⁾ As at the LPD			⁽²⁾ After the ROS and assuming full exercise of all outstanding YTL Power Warrants		
	Direct	Indirect	%	Direct	Indirect	%
YTL Power	274,583,842	(3)3,737,660,939	3.77	700,066,506	(3)3,825,853,109	8.29
YTL Corp	3,275,220,346	(4)462,440,593	45.00	3,363,412,516	(4)462,440,593	39.82
Tan Sri Yeoh Tiong Lay	20,380,250	(5)4,012,244,781	0.28	26,417,660	(5)4,525,919,615	0.31
EPF	685,909,066	-	9.42	735,103,232	-	8.70
CCSB	462,184,873	-	6.35	462,184,873	-	5.47

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(b) Maximum Scenario

Name	⁽¹⁾ As at the LPD			⁽²⁾ After the ROS and assuming full exercise of all outstanding YTL Power Warrants		
	Direct		Indirect	Direct		Indirect
	No. of YTL Power Shares	%	No. of YTL Power Shares	No. of YTL Power Shares	%	No. of YTL Power Shares
YTL SH	274,583,842	3.77	⁽³⁾ 3,737,660,939	700,066,506	8.29	⁽³⁾ 3,784,581,767
YTL Corp	3,275,220,346	45.00	⁽⁴⁾ 462,440,593	3,322,141,174	39.33	⁽⁴⁾ 462,440,593
Tan Sri Yeoh Tiong Lay	20,380,250	0.28	⁽⁵⁾ 4,012,244,781	26,417,660	0.31	⁽⁵⁾ 4,484,648,273
EPF	685,909,066	9.42	-	735,103,232	8.70	-
CCSB	462,184,873	6.35	-	462,184,873	5.47	-

Notes:

- (1) Based on the issued and paid-up share capital of YTL Power of 7,278,032,766 ordinary shares (excluding 56,725,045 treasury shares) as at the LPD.
- (2) Based on the fully diluted issued and paid-up share capital of YTL Power of 8,447,122,477 ordinary shares (excluding 56,725,045 treasury shares) and assuming full subscription of the Offer Warrants under the ROS and the full exercise of 1,169,089,711 outstanding YTL Power Warrants as at the LPD.
- (3) Deemed interest through YTL Corp, YTLPS and CCSB pursuant to Section 6A of the Act.
- (4) Deemed interest through YTLPS and CCSB pursuant to Section 6A of the Act.
- (5) Deemed interest through YTL SH, YTL Corp, YTLPS and CCSB pursuant to Section 6A of the Act but excluding shareholdings of his spouse and/or children.

4. Directors

The particulars of the Directors of YTL Power, all of whom are Malaysians, as at the LPD are as follows:

<u>Directors</u>	<u>Age</u>	<u>Occupation</u>	<u>Designation</u>	<u>Address</u>
Tan Sri Yeoh Tiong Lay	82	Executive Chairman	Executive Chairman	No. 3, Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	58	Managing Director	Managing Director	No. 3, Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan
Dato' Yeoh Seok Kian	54	Company Director	Deputy Managing Director	No. 3, Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	63	Company Director	Independent Non-Executive Director	No. 70L, Jalan Air Jernih 20300 Kuala Terengganu Terengganu Darul Iman
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	67	Company Director	Independent Non-Executive Director	No. 28, Jalan Setiarasa Off Jalan Setiaraya Bukit Damansara 50490 Kuala Lumpur
Dato' (Dr) Yahya Bin Ismail	84	Company Director	Independent Non-Executive Director	No. 3, Jalan Laksamana 12/1 40000 Shah Alam Selangor Darul Ehsan
Dato' Yusli Bin Mohamed Yusoff	53	Company Director	Independent Non-Executive Director	No. 49, Jalan Seri Beringin 2 Seri Beringin Bukit Damansara 50490 Kuala Lumpur
Dato' Yeoh Soo Min	56	Company Director	Executive Director	No. 3, Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan
Dato' Yeoh Seok Hong	53	Company Director	Executive Director	No. 3, Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan
Dato' Sri Michael Yeoh Sock Siong	51	Company Director	Executive Director	No. 3, Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan
Dato' Yeoh Soo Keng	48	Company Director	Executive Director	No. 3, Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan
Dato' Mark Yeoh Seok Kah	47	Company Director	Executive Director	No. 3, Lorong 16/7B 46350 Petaling Jaya Selangor Darul Ehsan
Tuan Syed Abdullah Bin Syed Abd. Kadir	58	Company Director	Executive Director	No. 59, Lakeview Bungalows Saujana Resort Seksyen U2 40150 Shah Alam Selangor Darul Ehsan

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The Directors' of YTL Power and their respective direct and indirect holdings in the securities of YTL Power based on the Register of Directors' Shareholdings of YTL Power as at the LPD and their direct and indirect shareholdings in YTL Power after the ROS under the Minimum Scenario and Maximum Scenario are as follows:

(a) Minimum Scenario

Name	(1) As at the LPD			(2) After the ROS and assuming full exercise of all outstanding YTL Power Warrants		
	Direct		Indirect	Direct		Indirect
	No. of YTL Power Shares	%	No. of YTL Power Shares	No. of YTL Power Shares	%	No. of YTL Power Shares
Tan Sri Yeoh Tiong Lay	20,380,250	0.28	(3)(4)4,013,899,231	26,417,660	0.31	(3)(4)4,530,527,043
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	945,040	0.01	-	14,671,962	0.17	-
Dato' Yeoh Seok Kian	6,386,760	0.09	-	10,718,514	0.13	(3)282,949
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	38,853	*	-	38,853	*	-
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	-	-	(3)100,562	-	-	(3)123,762
Dato' (Dr) Yahya Bin Ismail	343,000	*	(3)38,610	379,266	*	(3)73,904
Dato' Yusli Bin Mohamed Yusoff	-	-	-	-	-	-
Dato' Yeoh Soo Min	12,769,934	0.18	(3)(5)3,283,424	16,223,129	0.19	(3)(5)3,592,131
Dato' Yeoh Seok Hong	27,510,268	0.38	(3)3,281,179	30,479,273	0.36	(3)4,851,162
Dato' Sri Michael Yeoh Sock Siong	7,601,744	0.10	(3)1,019,291	12,675,081	0.15	(3)2,607,088
Dato' Mark Yeoh Seok Kah	7,665,920	0.11	(3)1,093,601	9,004,663	0.11	(3)1,360,640
Dato' Yeoh Soo Keng	8,081,777	0.11	(3)133,500	13,262,163	0.16	(3)220,554
Tuan Syed Abdullah Bin Syed Abd. Kadir	2,268,203	0.03	(3)524	2,908,478	0.03	(3)1,833

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(b) Maximum Scenario

Name	(1) As at the LPD			(2) After the ROS and assuming full exercise of all outstanding YTL Power Warrants			
	Direct		Indirect	Direct		Indirect	
	No. of YTL Power Shares	%	No. of YTL Power Shares	%	No. of YTL Power Shares	%	
Tan Sri Yeoh Tiong Lay	20,380,250	0.28	(3)(4) 4,013,899,231	55.15	26,417,660	(3)(4) 4,489,255,701	53.15
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	945,040	0.01	-	-	14,671,962	-	-
Dato' Yeoh Seok Kian	6,386,760	0.09	-	-	10,718,514	(3) 282,949	*
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	38,853	*	-	-	38,853	-	-
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	-	-	(3) 100,562	*	-	(3) 123,762	*
Dato' (Dr) Yahya Bin Ismail	343,000	*	(3) 38,610	*	379,266	(3) 73,904	*
Dato' Yusli Bin Mohamed Yusoff	-	-	-	-	-	-	-
Dato' Yeoh Soo Min	12,769,934	0.18	(3)(5) 3,283,424	0.05	16,223,129	(3)(5) 3,592,131	0.04
Dato' Yeoh Seok Hong	27,510,268	0.38	(3) 3,281,179	0.05	30,479,273	(3) 4,851,162	0.06
Dato' Sri Michael Yeoh Sock Siong	7,601,744	0.10	(3) 1,019,291	0.01	12,675,081	(3) 2,607,088	0.03
Dato' Mark Yeoh Seok Kah	7,665,920	0.11	(3) 1,093,601	0.02	9,004,663	(3) 1,360,640	0.02
Dato' Yeoh Soo Keng	8,081,777	0.11	(3) 133,500	*	13,262,163	(3) 220,554	*
Tuan Syed Abdullah Bin Syed Abd. Kadir	2,268,203	0.03	(3) 524	*	2,908,478	(3) 1,833	*

Notes:

- (1) Based on the issued and paid-up share capital of YTL Power of 7,278,032,766 ordinary shares (excluding 56,725,045 treasury shares) as at the LPD.
- (2) Based on the fully diluted issued and paid-up share capital of YTL Power of 8,447,122,477 ordinary shares (excluding 56,725,045 treasury shares) and assuming full subscription of the Offer Warrants under the ROS and the full exercise of 1,169,089,711 outstanding YTL Power Warrants as at the LPD.
- (3) Deemed interest through the shareholdings of spouse and/or children pursuant to Section 134(12)(c) of the Act.
- (4) Deemed interest through YTL SH, YTL Corp, CCSB and YTLPS pursuant to Section 6A of the Act.
- (5) Deemed interest through TYP pursuant to Section 6A of the Act.

5. Subsidiaries and associate companies

The subsidiaries and associate companies of YTL Power as at the LPD are as follows:

Company	Place / Date of incorporation	Issued and paid-up share capital	Effective equity interest	Principal activities
			%	
<u>Subsidiaries</u>				
YTL Power Generation Sdn Bhd	Malaysia / 19.11.1992	RM640,000,000.20	100	Developing, constructing, completing, maintaining and operating power plants
YTL Power International Holdings Limited	Cayman Islands / 16.10.2000	USD5,000 (Ordinary Shares) AUD1,850 (Ordinary Shares) USD8,450 (Redeemable Preference Shares) AUD4,420 (Redeemable Preference Shares)	100	Investment holding
YTL Power Australia Limited	Cayman Islands / 16.11.2000	USD5,000 (Ordinary Shares) AUD1,850 (Ordinary Shares) USD8,450 (Redeemable Preference Shares) AUD4,420 (Redeemable Preference Shares)	100	Investment holding
YTL Power Finance (Cayman) Limited	Cayman Islands / 09.05.2001	USD3,564,459	100	Investment holding
YTL-CPI Power Limited	Hong Kong / 14.09.1995	HKD1,000,000	51	Dormant
YTL Seraya Limited	Cayman Islands / 16.01.2009	SGD110	100	Investment holding
YTL Utilities Holdings (S) Pte. Limited	Singapore / 15.08.2008	SGD1	100	Investment holding
YTL Utilities (S) Pte. Limited	Singapore / 19.08.2008	SGD1	100	Investment holding

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<u>Company</u>	<u>Place / Date of incorporation</u>	<u>Issued and paid-up share capital</u>	<u>Effective equity interest</u>	<u>Principal activities</u>
			%	
YTL PowerSeraya Pte. Limited	Singapore / 15.08.2008	SGD500,000,000	100	Own and operate energy facilities and services (full value chain of electricity generation including trading of physical fuels and fuel related derivative instruments, tank leasing activities and sale of by-products from the electricity generation process)
YTL Utilities Limited	Cayman Islands / 08.02.2002	GBP3 USD45,000	100	Investment holding
YTL Utilities Finance Limited	Cayman Islands / 07.03.2003	GBP2	100	Investment holding
YTL Utilities Finance 2 Limited	Cayman Islands / 18.5.2004	USD2	100	Investment holding
YTL Utilities Finance 3 Limited	Cayman Islands / 18.5.2004	USD1 EUR1	100	Investment holding
YTL Utilities Finance 4 Limited	Cayman Islands / 23.6.2009	USD1	100	Financial services
YTL Utilities Finance 5 Limited	Cayman Islands / 18.2.2010	USD1	100	Financial services
YTL Utilities Finance 6 Limited	Cayman Islands / 22.6.2010	SGD2	100	Investment holding
YTL Utilities Finance 7 Limited	Cayman Islands / 16.11.2010	USD1	100	Financial services
YTL Utilities Holdings Limited	Cayman Islands / 24.3.2006	GBP61,873	100	Investment holding
Wessex Water International Limited	Cayman Islands / 27.03.2007	USD1	100	Dormant
YTL Utilities (UK) Limited	England and Wales / 18.12.2001	GBP2	100	Investment holding
YTL Events Limited	England and Wales / 23.05.2003	GBP1	100	Providing public entertainment, events and public relations services
YTL ECOGreen Pte Ltd	Singapore / 14.09.2009	SGD1	100	Dormant
YTL Communications International Ltd	Cayman Islands / 18.2.2010	USD1	60	Investment holding
YTL Global Networks Ltd	Cayman Islands / 21.06.2010	USD1	60	Dormant
YTL Communications Sdn Bhd	Malaysia / 30.10.2007	RM550,500,000	60	Provision of wired line and wireless broadband access and other related services
YTL Communications (S) Pte Ltd	Singapore / 27.10.2011	SGD1	60	Dormant

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Company	Place / Date of incorporation	Issued and paid-up share capital	Effective equity interest	Principal activities
			%	
YTL Digital Sdn Bhd	Malaysia / 24.3.1992	RM2	60	Sale & marketing of telecommunication products
Extiva Communications Sdn Bhd	Malaysia / 14.04.1998	RM500,000	60	Developing and marketing VoIP telephony and other advanced network media appliances for the service provider and enterprise telephony market
FrogAsia Sdn Bhd	Malaysia / 18.11.2011	RM2	100	Software license reseller focusing on virtual education learning platforms
Frogtrade Limited	England and Wales / 28.2.2000	GBP14,027.70	57.58	Sales into the education market and further development of the company's web environment product
Granite Investments (Cayman Islands) Limited	Cayman Islands / 18.5.2004	USD1	100	Dormant
PowerSeraya Limited (in voluntary liquidation)	Singapore / 27.06.1995	SGD884,971,148	100	Dormant
Seraya Energy Pte Ltd	Singapore / 16.05.2001	SGD10,000,002	100	Sale of electricity
Seraya Energy and Investment Pte Ltd	Singapore / 13.10.1999	SGD5,400,002	100	Investment holding
PetroSeraya Pte Ltd	Singapore / 02.04.2007	SGD20,000,000	100	Oil trading and oil tank leasing
Wessex Water Limited	England and Wales / 01.04.1989	GBP131,751,591.60	100	Investment holding
Wessex Water Services Limited	England and Wales / 01.04.1989	GBP81,350,000	100	Water supply and waste water services
SC Technology GmbH	Switzerland / 11.12.1992	CHF1,955,000	100	Waste treatment processes
SC Technology Nederlands B.V.	Netherlands / 11.02.2000	EUR100,000	100	Waste treatment processes
SC Technology Deutschland GmbH	Germany / 19.05.1993	EUR51,129	100	Waste treatment processes
Swiss Water System, AG	Switzerland / 30.01.2004	CHF3,840,000	59	Dormant
Geneco Limited	England and Wales / 10.03.2009	GBP100	100	Dormant

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Company	Place / Date of incorporation	Issued and paid-up share capital	Effective equity interest	Principal activities
			%	
Wessex Electricity Utilities Limited	England and Wales / 08.10.2008	GBP100	100	Dormant
Wessex Water Utility Solutions Limited	England and Wales / 08.10.2008	GBP100	100	Dormant
Wessex Water Services Finance Plc	England and Wales / 28.01.1999	GBP50,000	100	Issue of bonds
Wessex Water Enterprises Limited	England and Wales / 21.07.1988	GBP100	100	Water supply and waste water services
Wessex Engineering & Construction Services Limited	England and Wales / 20.10.1998	GBP100	100	Engineering and construction services
Wessex Promotions Limited	England and Wales / 11.04.2005	GBP1	100	Entertainment promotion
Wessex Water Pension Scheme Trustee Limited	England and Wales / 26.01.2000	GBP1	100	Management of Wessex Water Pension Scheme
Wessex Water Commercial Limited	England and Wales / 17.04.1989	GBP100	100	Dormant
Wessex Property Services Limited	England and Wales / 15.07.1988	GBP100	100	Dormant
Wessex Water Trustee Company Limited	England and Wales / 19.07.1988	GBP100	100	Dormant
Wessex Water Engineering Services Limited	England and Wales / 12.08.1988	GBP100	100	Dormant
Wessex Spring Water Limited	England and Wales / 27.07.1988	GBP100	100	Dormant
Wessex Logistics Limited	England and Wales / 18.10.1998	GBP100	100	Dormant
YTL Education (UK) Limited	England and Wales / 19.09.2003	GBP500,000	100	Investment holding
YTL Engineering Limited	England and Wales / 18.01.1999	GBP2	100	Dormant
YTL Services Limited	England and Wales / 15.07.1988	GBP100	100	Dormant
YTL Jawa Power Holdings Limited	Cyprus / 25.5.2004	CYP1,001	100	Investment holding

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<u>Company</u>	<u>Place / Date of incorporation</u>	<u>Issued and paid-up share capital</u>	<u>Effective equity interest</u>	<u>Principal activities</u>
			<u>%</u>	
YTL Jawa Power Finance Limited	Cayman Islands / 27.6.2003	USD6,936	100	Investment holding
YTL Jawa Power Holdings B.V.	Netherlands / 25.11.2004	EUR18,000	57.14	Investment holding
YTL Jawa Power B.V.	Netherlands / 23.7.2004	EUR18,000	57.14	Investment holding
YTL Jawa O & M Holdings Limited	Cyprus / 25.5.2004	CYP1,001	100	Investment holding
YTL Jawa O & M Holdings B.V.	Netherlands / 23.7.2004	EUR18,000	100	Investment holding
YTL Jawa Power Services B.V.	Netherlands / 23.7.2004	EUR18,000	100	Investment holding
YTL Power Investments Limited	Cayman Islands / 16.10.2000	USD18,715	100	Investment holding
YTL Power Trading (Labuan) Ltd	Labuan, Malaysia / 10.10.2011	USD1	100	Dormant
P.T. YTL Jawa Timur	Indonesia / 29.11.1996	USD500,000	100	Construction management, consultancy services and power station operation services
<u>Associate companies</u>				
Bristol Wessex Billing Services Limited	England and Wales / 18.01.2001	100 A Shares 100 B Shares	50	Joint venture billing company
ElectraNet Pty Ltd	Australia / 14.9.2000	AUD10,000	33.5	Trades as ElectraNet SA (operates & manages the electricity transmission network throughout South Australia)
Jimah Power Generation Sdn Bhd	Malaysia / 30.5.2001	RM10,000	49	Dormant
P.T. Jawa Power	Indonesia / 22.8.1995	USD351,200,000	20	To construct, commission and operate a coal-fired thermal power station
Teknologi Tenaga Perlis (Overseas) Consortium Sdn Bhd	Malaysia / 17.07.1996	RM100	30	Dormant
Enefit Jordan B.V.	Netherlands / 22.2.2011	EUR18,000	30	Investment holding
Xchanging Malaysia Sdn Bhd	Malaysia / 6.3.2012	RM1,000,000	30	Providing mobile internet and cloud-based technology solutions

6. Profit and dividend record

The following table summarises the audited consolidated financial results of YTL Power Group for the 3 financial years ended 30 June 2009 to 2011 and the unaudited consolidated results of YTL Power Group for the 12-month financial period ended 30 June 2012:

	Audited financial years ended 30 June			Unaudited 12-month period ended 30 June
	2009	2010	2011	2012
	RM 000			
Revenue	6,093,394	13,442,917	14,662,559	15,876,191
Gross profit	2,224,821	2,553,666	2,560,228	2,314,379
EBITDA	2,865,924	3,279,136	3,382,853	3,354,654
Other operating income	93,779	177,413	94,751	119,924
Finance costs	877,459	828,764	847,495	821,348
Share of results of associate companies	225,484	226,513	286,812	288,041
PBT	1,386,872	1,684,915	1,556,906	1,382,952
Taxation	740,279	476,203	309,444	234,036
Profit for the year attributable to:				
- Owners of the parent	646,605	1,208,838	1,364,168	1,229,934
- Non-controlling interests	(12)	(126)	(116,706)	(81,018)
Profit for the year/period	646,593	1,208,712	1,247,462	1,148,916
Weighted average number of ordinary shares in issue (000)	5,695,830	6,499,137	7,207,075	7,253,079
Basic EPS ⁽¹⁾ (sen)	11.35	18.60	18.93	16.96
Diluted EPS ⁽²⁾ (sen)	9.94	17.11	17.47	16.04
Gross profit margin (%)	36.51	19.00	17.46	14.58
Net profit margin (%)	10.61	8.99	8.51	7.24
Gross dividend rate (%)	⁽³⁾ 24.75	26.25	18.75	11.25

Notes:

⁽¹⁾ Computed by dividing profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year/period.

⁽²⁾ Computed by dividing profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year/period and adjusted for the conversion of the YTL Power Warrants and ESOS.

⁽³⁾ Does not include a share dividend distribution of 1 treasury share for every 40 existing YTL Power Shares held which was completed in September 2008.

Commentary:**Financial year ended 30 June 2009**

For the financial year ended 30 June 2009, the YTL Power Group recorded a revenue growth of RM1,850 million to RM6,093 million as compared to revenue of RM4,243 million for the previous financial year, principally due to the consolidation of approximately 4 months' results from PowerSeraya, which YTL Power acquired on 6 March 2009. PBT stood at RM1,387 million for the financial year ended 30 June 2009, with PowerSeraya contributing RM230 million in PBT.

Profit for the financial year decreased to RM647 million for the financial year ended 30 June 2009 over RM1,039 million last year. The decrease resulted from a deferred tax arising from a change in legislation of RM443 million relating to Wessex Water, following the abolition of industrial building allowance under the UK Finance Act 2008.

There was no audit qualification for the financial year ended 30 June 2009.

Financial year ended 30 June 2010

For the financial year ended 30 June 2010, the YTL Power Group registered a 120.6% increase in revenue to RM13,443 million as compared to revenue of RM6,093 million for the previous financial year. PBT grew to RM1,685 million, an increase of 21.5% over PBT of RM1,387 million for the previous financial year. Profit for the year increased 86.9% to RM1,209 million as compared to RM647 million for the financial year ended 30 June 2009.

The increase in revenue and PBT was principally due to the consolidation of a full year's results from PowerSeraya, as well as the recognition during the previous financial year ended 30 June 2009 of a one-off deferred tax charge relating to Wessex Water.

There was no audit qualification for the financial year ended 30 June 2010.

Financial year ended 30 June 2011

For the financial year ended 30 June 2011, the YTL Power Group registered a 9.1% increase in revenue to RM14,663 million as compared to revenue of RM13,443 million for the previous financial year. Profit for the year grew to RM1,247 million, or an increase of 3.1% over the RM1,209 million recorded for the financial year ended 30 June 2010.

The growth in revenue and profit was mainly due to better performance by the YTL Power Group's foreign operations. Operational performance remained steady for the financial year ended 30 June 2011, with its key utility businesses comprising Wessex Water, PowerSeraya and YTL Power Generation Sdn Bhd continuing to turn in strong performances.

There was no audit qualification for the financial year ended 30 June 2011.

12-month financial period ended 30 June 2012

For the 12-month financial period ended 30 June 2012, the YTL Power Group recorded a revenue growth of 8.3% to RM15,876 million as compared to RM14,663 million for the corresponding 12-month financial period ended 30 June 2011, mainly due to higher electricity sales, strong performance of its multi-utilities businesses and growth in the subscriber base of its mobile broadband network.

Profit for the 12-month financial period ended 30 June 2012 decreased to RM1,149 million as compared to the RM1,247 million recorded for corresponding 12-month financial period ended 30 June 2011. The decrease is mainly due to the higher depreciation charge in the contracted power generation segment, higher fuel prices in the YTL Power Group's multi-utilities business (Merchant) segment and higher finance and operating costs arising from inflationary pressures in the water and sewerage business.

7. Historical prices of YTL Power Warrants

The monthly high and low market prices of YTL Power Warrants for the past 12 months from October 2011 to September 2012 are as follows:

	<u>High</u>	<u>Low</u>
	<u>RM</u>	
2011		
October	0.95	0.68
November	0.89	0.80
December	0.85	0.70
2012		
January	0.84	0.76
February	0.99	0.82
March	0.83	0.60
April	0.64	0.51
May	0.53	0.36
June	0.58	0.41
July	0.63	0.55
August	0.61	0.53
September	0.55	0.47
Last transacted price of YTL Power Warrants on 28 May 2012, being the last trading day prior to the date of the announcement of the ROS		0.47
Last transacted price of YTL Power Warrants on the LPD		0.52
Last transacted price of YTL Power Warrants on 27 September 2012, being the last trading day prior to the ex-date for the ROS		0.49

(Source: Bloomberg)

8. Historical prices of YTL Power Shares

The monthly high and low market prices of YTL Power Shares for the past 12 months from October 2011 to September 2012 are as follows:

	High	Low
	RM	
2011		
October	1.93	1.63
November	1.91	1.74
December	1.90	1.76
2012		
January	1.88	1.78
February	1.90	1.82
March	1.87	1.76
April	1.86	1.69
May	1.77	1.53
June	1.80	1.60
July	1.86	1.76
August	1.82	1.71
September	1.75	1.63

Last transacted price of YTL Power Shares on 28 May 2012, being the last trading day prior to the date of the announcement of the ROS 1.67

Last transacted price of YTL Power Shares on the LPD 1.71

Last transacted price of YTL Power Shares on 27 September 2012, being the last trading day prior to the ex-date for the ROS 1.67

(Source: Bloomberg)

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF YTL POWER FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011 TOGETHER WITH THE AUDITORS' REPORT

**Directors' report
for the financial year ended 30 June 2011**

The Directors are pleased to submit their annual report together with the audited financial statements of the Group and the Company for the financial year ended 30 June 2011.

Principal activities

The principal activities of the Company are investment holding and provision of administrative and technical support services.

The principal activities of the subsidiaries are set out in Note 15 to the financial statements. There have been no significant changes in the nature of these activities during the financial year, save and except for a subsidiary that has commenced its mobile broadband network operations.

Financial results

	Group RM'000	Company RM'000
Profit for the year	1,247,462	381,465
Attributable to:		
Owners of the parent	1,364,168	381,465
Non-controlling interests	(116,706)	-
	<u>1,247,462</u>	<u>381,465</u>

Dividends

The amounts of dividends paid by the Company since 30 June 2010 were as follows:

	RM'000
In respect of the financial year ended 30 June 2010:	
- Third interim single tier dividend of 7.5% or 3.75 sen per ordinary share of 50 sen each paid on 15 July 2010	269,610
- Final single tier dividend of 3.75% or 1.875 sen per ordinary share of 50 sen each paid on 23 December 2010	135,238
In respect of the financial year ended 30 June 2011:	
- First interim single tier dividend of 7.5% or 3.75 sen per ordinary share of 50 sen each paid on 21 January 2011	270,494
- Second interim tax exempt dividend of 3.75% or 1.875 sen per ordinary share of 50 sen each paid on 31 March 2011	135,351
- Third interim tax exempt dividend of 3.75% or 1.875 sen per ordinary share of 50 sen each paid on 15 July 2011	<u>135,418</u>
	<u>946,111</u>

A fourth interim tax exempt dividend of 3.75% or 1.875 sen per ordinary share of 50 sen each has been declared for payment on 24 November 2011. The Directors do not recommend the payment of a final dividend for the financial year ended 30 June 2011.

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Directors' report for the financial year ended 30 June 2011 (continued)

Reserves and provisions

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

Share capital

The issued and fully paid up share capital of the Company was increased from RM3,623,272,852 to RM3,639,497,118 following the exercise of 14,727,350 ESOS at exercise prices ranging from RM1.32 to RM2.02 per share, and the exercise of 17,721,184 Warrants at an exercise price of RM1.21 per Warrant on the basis of one (1) new ordinary share for every one (1) Warrant. The new ordinary shares of 50 sen each rank pari passu in all respects with the existing issued shares of the Company.

The total number of unexercised Warrants as at 30 June 2011 amounted to 1,184,765,536.

Treasury shares

The shareholders of the Company, by a resolution passed in the 14th Annual General Meeting held on 30 November 2010, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

Details of treasury shares are set out in Note 29(b) to the financial statements.

Employees' Share Option Scheme

The Employees Share Option Scheme for employees and Executive Directors of the Company and its subsidiaries who meet the criteria of eligibility for participation ('ESOS') is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting ('EGM') held on 16 October 2001 ('Existing ESOS'). Details of the ESOS and the shares issued during the financial year by virtue of the exercise of options under the Existing ESOS are set out in Note 28(b) to the financial statements.

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Directors' report for the financial year ended 30 June 2011 (continued)

Employees' Share Option Scheme (continued)

As the Existing ESOS will expire on 29 November 2011, a new ESOS for employees and Directors of the Company and its subsidiaries who meet the criteria of eligibility for participation was established as approved by the shareholders of the Company at the EGM held on 30 November 2010 ('2011 Scheme'). The 2011 Scheme was implemented on 1 April 2011. Details on the 2011 Scheme are set out in Note 28(c) to the financial statements.

Since the date of the last report, no options have been granted under the Existing ESOS and 2011 Scheme.

Directors

The Directors who have held office during the period since the date of the last report are as follows:

Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE
Tan Sri Datuk Dr. Aris Bin Osman @ Othman
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
Dato' Yeoh Seok Kian
Dato' (Dr) Yahya Bin Ismail
Dato' Yeoh Soo Min
Dato' Yeoh Seok Hong
Dato' Sri Michael Yeoh Sock Siong
Dato' Yeoh Soo Keng
Dato' Mark Yeoh Seok Kah
Syed Abdullah Bin Syed Abd. Kadir
Mej. Jen. Dato' Haron Bin Mohd Taib (B) (Demised on 17 August 2011)

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Directors' report for the financial year ended 30 June 2011 (continued)

Directors' interests in shares

According to the Register of Directors' shareholdings, particulars of interests of Directors who held office at the end of the financial year in shares of the Company and its related corporations are as follows:

	Number of ordinary shares of RM0.50 each in the Company			
	At 1 July 2010	Acquired	Disposed	At 30 June 2011
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	13,380,250	-	-	13,380,250
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	14,945,040	-	-	14,945,040
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	38,853	-	-	38,853
Dato' Yeoh Seok Kian	5,021,360	-	-	5,021,360
Dato' (Dr) Yahya Bin Ismail	490,154	-	147,154	343,000
Dato' Yeoh Soo Min	5,108,601	7,661,333	-	12,769,934
Dato' Yeoh Seok Hong	22,510,268	-	-	22,510,268
Dato' Sri Michael Yeoh Sock Siong	4,601,744	-	-	4,601,744
Dato' Yeoh Soo Keng	5,081,777	-	-	5,081,777
Dato' Mark Yeoh Seok Kah	6,665,920	1,000,000	-	7,665,920
Syed Abdullah Bin Syed Abd. Kadir	2,268,203	-	-	2,268,203
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	4,013,961,231 ⁽¹⁾⁽⁸⁾	-	38,000	4,013,923,231 ⁽¹⁾⁽⁸⁾
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	100,562 ⁽¹⁾	-	-	100,562 ⁽¹⁾
Dato' Yeoh Seok Kian	1,445,941 ⁽¹⁾	-	-	1,445,941 ⁽¹⁾
Dato' (Dr) Yahya Bin Ismail	38,610 ⁽¹⁾	-	-	38,610 ⁽¹⁾
Mej. Jen. Dato' Haron Bin Mohd Taib (B)	112,898 ⁽¹⁾	-	-	112,898 ⁽¹⁾
Dato' Yeoh Soo Min	2,123,424 ⁽¹⁾⁽⁹⁾	1,160,000	-	3,283,424 ⁽¹⁾⁽⁹⁾
Dato' Yeoh Seok Hong	3,281,179 ⁽¹⁾	-	-	3,281,179 ⁽¹⁾
Dato' Sri Michael Yeoh Sock Siong	1,019,291 ⁽¹⁾	-	-	1,019,291 ⁽¹⁾
Dato' Yeoh Soo Keng	133,500 ⁽¹⁾	-	-	133,500 ⁽¹⁾
Dato' Mark Yeoh Seok Kah	1,093,601 ⁽¹⁾	-	-	1,093,601 ⁽¹⁾
Syed Abdullah Bin Syed Abd. Kadir	524 ⁽¹⁾	-	-	524 ⁽¹⁾

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Directors' report for the financial year ended 30 June 2011 (continued)

Directors' interests in shares (continued)

	Number of Warrants in the Company			At 30 June 2011
	At 1 July 2010	Acquired	Exercised/ Disposed	
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	4,860,175	-	-	4,860,175
Dato' (Dr) Yahya Bin Ismail	201,026	-	201,026	-
Dato' Yeoh Seok Kian	1,632,962	-	-	1,632,962
Dato' Yeoh Soo Min	1,661,333	-	1,661,333	-
Dato' Sri Michael Yeoh Sock Siong	1,496,502	-	-	1,496,502
Dato' Yeoh Soo Keng	1,585,944	-	-	1,585,944
Dato' Mark Yeoh Seok Kah	1,000,000	-	1,000,000	-
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,100,821,922 ^(a)	-	-	1,100,821,922 ^(a)
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	23,200 ^(b)	-	-	23,200 ^(b)
Dato' Yeoh Seok Kian	450,000 ^(b)	-	-	450,000 ^(b)
Mej. Jen. Dato' Haron Bin Mohd Taib (B)	26,715 ^(b)	-	-	26,715 ^(b)
Dato' Yeoh Soo Min	-	207,000	-	207,000 ^(b)
Dato' Sri Michael Yeoh Sock Siong	298,956 ^(b)	-	-	298,956 ^(b)
Dato' Yeoh Soo Keng	36,507 ^(b)	-	-	36,507 ^(b)

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Directors' report for the financial year ended 30 June 2011 (continued)

Directors' interests in shares (continued)

	Number of share options over ordinary shares of RM0.50 each			
	At 1 July 2010	Granted	Exercised	At 30 June 2011
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	14,000,000	-	-	14,000,000
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	14,000,000	-	-	14,000,000
Dato' Yeoh Seok Kian	6,000,000	-	-	6,000,000
Dato' Yeoh Soo Min	6,000,000	-	6,000,000	-
Dato' Yeoh Seok Hong	5,000,000	-	-	5,000,000
Dato' Sri Michael Yeoh Sock Siong	6,000,000	-	-	6,000,000
Dato' Yeoh Soo Keng	6,000,000	-	-	6,000,000
Dato' Mark Yeoh Seok Kah	6,000,000	-	-	6,000,000
Syed Abdullah Bin Syed Abd Kadir	6,000,000	-	-	6,000,000

	Number of ordinary shares of RM0.10 each			
	At 1 July 2010 ‡	Acquired	Disposed	At 30 June 2011
Holding Company				
YTL Corporation Berhad				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	47,523,040	-	-	47,523,040
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	84,094,530	-	-	84,094,530
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	26,110	-	-	26,110
Dato' Yeoh Seok Kian	30,483,085	-	-	30,483,085
Dato' (Dr) Yahya Bin Ismail	807,855	-	297,855	510,000
Dato' Yeoh Soo Min	32,495,020	-	-	32,495,020
Dato' Yeoh Seok Hong	25,686,095	-	-	25,686,095
Dato' Sri Michael Yeoh Sock Siong	26,153,345	-	-	26,153,345
Dato' Yeoh Soo Keng	29,084,105	-	-	29,084,105
Dato' Mark Yeoh Seok Kah	17,942,040	-	-	17,942,040
Syed Abdullah Bin Syed Abd. Kadir	3,841,375	15,000,000	3,200,000	15,641,375
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	4,753,641,470 ^{(1)(a)}	-	-	4,753,641,470 ^{(1)(a)}
Dato' Yeoh Seok Kian	1,609,980 ⁽¹⁾	500,000	-	2,109,980 ⁽¹⁾
Dato' (Dr) Yahya Bin Ismail	496,330 ⁽¹⁾	-	-	496,330 ⁽¹⁾
Dato' Yeoh Soo Min	991,800 ^{(1)(b)}	-	-	991,800 ^{(1)(b)}
Dato' Yeoh Seok Hong	19,864,810 ⁽¹⁾	250,000	250,000	19,864,810 ⁽¹⁾
Dato' Sri Michael Yeoh Sock Siong	12,885,305 ⁽¹⁾	-	-	12,885,305 ⁽¹⁾
Dato' Yeoh Soo Keng	424,820 ⁽¹⁾	-	-	424,820 ⁽¹⁾
Dato' Mark Yeoh Seok Kah	3,116,775 ⁽¹⁾	-	-	3,116,775 ⁽¹⁾
Syed Abdullah Bin Syed Abd. Kadir	18,415 ⁽¹⁾	-	-	18,415 ⁽¹⁾

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Directors' report for the financial year ended 30 June 2011 (continued)

Directors' interests in shares (continued)

Holding Company	Number of share options over ordinary shares of RM0.10 each			
	At 1 July 2010 ‡	Granted	Exercised	At 30 June 2011
YTL Corporation Berhad				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	25,000,000	-	-	25,000,000
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	25,000,000	-	-	25,000,000
Dato' Yeoh Seok Kian	17,500,000	-	-	17,500,000
Dato' Yeoh Soo Min	15,000,000	-	-	15,000,000
Dato' Yeoh Seok Hong	15,000,000	-	-	15,000,000
Dato' Sri Michael Yeoh Sock Siong	15,000,000	-	-	15,000,000
Dato' Yeoh Soo Keng	15,000,000	-	-	15,000,000
Dato' Mark Yeoh Seok Kah	15,000,000	-	-	15,000,000
Syed Abdullah Bin Syed Abd Kadir	15,000,000	-	15,000,000	-
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	15,000,000 ⁽¹⁾	-	-	15,000,000 ⁽¹⁾
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	2,000,000 ⁽²⁾	-	-	2,000,000 ⁽²⁾
Dato' Yeoh Seok Hong	2,000,000 ⁽¹⁾	-	-	2,000,000 ⁽¹⁾

‡ Opening balance adjusted pursuant to the subdivision of 1 ordinary share of RM0.50 each into 5 ordinary shares of RM0.10 each on 29 April 2011.

Ultimate Holding Company	Number of ordinary shares of RM1.00 each			
	At 1 July 2010	Acquired	Disposed	At 30 June 2011
Yeoh Tiong Lay & Sons Holdings Sdn Bhd				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	8,220,004	-	-	8,220,004
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	5,000,000	-	-	5,000,000
Dato' Yeoh Seok Kian	5,000,000	-	-	5,000,000
Dato' Yeoh Soo Min	1,250,000	-	-	1,250,000
Dato' Yeoh Seok Hong	5,000,000	-	-	5,000,000
Dato' Sri Michael Yeoh Sock Siong	5,000,000	-	-	5,000,000
Dato' Yeoh Soo Keng	1,250,000	-	-	1,250,000
Dato' Mark Yeoh Seok Kah	5,000,000	-	-	5,000,000
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5,000,004 ⁽¹⁾	-	-	5,000,004 ⁽¹⁾

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Directors' report for the financial year ended 30 June 2011 (continued)

Directors' interests in shares (continued)

Related Company	Number of ordinary shares of RM0.50 each			
	At 1 July 2010	Acquired	Disposed	At 30 June 2011
YTL Cement Berhad				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,681,634	-	-	1,681,634
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	2,042,923	-	-	2,042,923
Dato' Yeoh Seok Kian	618,754	-	-	618,754
Dato' Yeoh Soo Min	225,634	-	-	225,634
Dato' Yeoh Seok Hong	225,634	-	-	225,634
Dato' Sri Michael Yeoh Sock Siong	1,265,634	-	-	1,265,634
Dato' Yeoh Soo Keng	938,251	-	-	938,251
Dato' Mark Yeoh Seok Kah	187,200	-	-	187,200
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	238,607,356 ⁽¹⁾⁽⁵⁾	-	-	238,607,356 ⁽¹⁾⁽⁵⁾
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	15,600 ⁽¹⁾	-	-	15,600 ⁽¹⁾
Dato' Yeoh Seok Kian	83,200 ⁽¹⁾	-	-	83,200 ⁽¹⁾
Mej. Jen. Dato' Haron Bin Mohd Taib (B)	44,428 ⁽¹⁾	-	-	44,428 ⁽¹⁾
Dato' Yeoh Soo Min	138,357 ⁽⁹⁾	-	-	138,357 ⁽⁹⁾
Dato' Yeoh Seok Hong	45,123 ⁽¹⁾	-	-	45,123 ⁽¹⁾
Dato' Sri Michael Yeoh Sock Siong	1,109,388 ⁽¹⁾	-	-	1,109,388 ⁽¹⁾
Dato' Yeoh Soo Keng	90,251 ⁽¹⁾	-	-	90,251 ⁽¹⁾
Dato' Mark Yeoh Seok Kah	135,200 ⁽¹⁾	-	-	135,200 ⁽¹⁾

Related Company	Number of Irredeemable Convertible Unsecured Loan Stocks 2005/2015			
	At 1 July 2010	Acquired	Converted/ Disposed	At 30 June 2011
YTL Cement Berhad				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,681,634	-	-	1,681,634
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1,727,423	-	-	1,727,423
Dato' Yeoh Seok Kian	618,754	-	-	618,754
Dato' Yeoh Soo Min	225,634	-	-	225,634
Dato' Yeoh Seok Hong	225,634	-	-	225,634
Dato' Sri Michael Yeoh Sock Siong	1,265,634	-	-	1,265,634
Dato' Yeoh Soo Keng	818,251	-	-	818,251
Dato' Mark Yeoh Seok Kah	187,200	-	-	187,200
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	454,310,350 ⁽¹⁾⁽⁵⁾	-	-	454,310,350 ⁽¹⁾⁽⁵⁾
Dato' Yeoh Seok Kian	100,000 ⁽¹⁾	-	-	100,000 ⁽¹⁾
Dato' Yeoh Seok Hong	45,123 ⁽¹⁾	-	-	45,123 ⁽¹⁾
Dato' Sri Michael Yeoh Sock Siong	1,109,388 ⁽¹⁾	-	-	1,109,388 ⁽¹⁾
Dato' Mark Yeoh Seok Kah	135,200 ⁽¹⁾	-	-	135,200 ⁽¹⁾

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Directors' report for the financial year ended 30 June 2011 (continued)

Directors' interests in shares (continued)

Related Company	Number of share options over ordinary shares of RM0.50 each			
	At 1 July 2010	Granted	Exercised	At 30 June 2011
YTL Cement Berhad				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,400,000	-	-	1,400,000
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1,400,000	-	-	1,400,000
Dato' Yeoh Seok Kian	350,000	-	-	350,000
Dato' Sri Michael Yeoh Sock Siong	1,000,000	-	-	1,000,000
Dato' Yeoh Soo Keng	700,000	-	-	700,000
Related Company	Number of ordinary shares of RM0.10 each			
	At 1 July 2010	Acquired	Disposed	At 30 June 2011
YTL e-Solutions Berhad				
Direct interests				
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	150,000	-	-	150,000
Dato' Yeoh Soo Keng	500,000	-	-	500,000
Syed Abdullah Bin Syed Abd Kadir	300,000	-	-	300,000
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,002,227,600 ⁽⁶⁾	1,944,400	5,000,000	999,172,000 ⁽⁶⁾
Dato' Yeoh Soo Min	1,053,800 ⁽⁹⁾	-	-	1,053,800 ⁽⁹⁾
Dato' Sri Michael Yeoh Sock Siong	1,905,500 ⁽¹⁾	-	-	1,905,500 ⁽¹⁾
Related Company	Number of ordinary shares of RM0.50 each			
	At 1 July 2010	Acquired	Disposed	At 30 June 2011
YTL Land & Development Berhad				
Direct interests				
Dato' Yeoh Seok Kian	-	61,538	-	61,538
Dato' Yeoh Soo Keng	100,000	-	-	100,000
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	496,307,832 ⁽⁶⁾	1,538,461	-	497,846,293 ⁽⁶⁾
Dato' Yeoh Soo Min	574,300 ⁽⁹⁾	51,282	-	625,582 ⁽⁹⁾
Related Company	Number of Irredeemable Convertible Preference shares 2001/2011 of RM0.50 each ⁿ			
	At 1 July 2010	Acquired	Converted/ Disposed	At 30 June 2011
YTL Land & Development Berhad				
Direct interests				
Dato' Yeoh Seok Kian	240,000	-	240,000	-
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	-	6,000,000	6,000,000	-
Dato' Yeoh Soo Min	200,000 ⁽⁹⁾	-	200,000	-

ⁿ Shares expired on 24 April 2011 and removed from the Official List of Bursa Malaysia Securities Berhad on 25 April 2011.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Directors' report for the financial year ended 30 June 2011 (continued)

Directors' interests in shares (continued)

	Number of ordinary shares of RM1.00 each			
	At 1 July 2010	Acquired	Disposed	At 30 June 2011
Related Company				
Syarikat Pelancongan Seri Andalán (M) Sdn Bhd				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1	-	-	1
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	-	-	1
Number of ordinary shares of £0.01 each				
Related Company				
*Infoscreen Networks Plc				
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	100	-	-	100
Number of ordinary shares of £0.25 each				
Related Company				
*YTL Corporation (UK) Plc				
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	-	-	1
Number of ordinary shares of THB100 each				
Related Company				
*YTL Construction (Thailand) Limited				
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	-	-	1
Dato' Yeoh Seok Kian	1	-	-	1
Dato' Yeoh Seok Hong	1	-	-	1
Dato' Sri Michael Yeoh Sock Siang	1	-	-	1
Dato' Mark Yeoh Seok Kah	1	-	-	1
Number of ordinary shares of THB10 each				
Related Company				
*Samui Hotel 2 Co., Ltd				
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	-	1	-	1
Dato' Mark Yeoh Seok Kah	-	1	-	1

* Incorporated in England & Wales

* Incorporated in Thailand

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Directors' report for the financial year ended 30 June 2011 (continued)

Directors' interests in shares (continued)

- (1) Deemed interests by virtue of interests held by spouse and/or children pursuant to Section 134(12)(c) of the Companies Act, 1965.
- (2) Deemed interests by virtue of interests held in the name of deceased spouse in which the director, who is the legal representative, is entitled to exercise under the terms of the ESOS.
- (3) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad and YTL Power Services Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.
- (4) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.
- (5) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad, YTL Industries Berhad and YTL Power International Berhad pursuant to Section 6A of the Companies Act, 1965.
- (6) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd and YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.
- (7) Deemed interests by virtue of interests held by YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.
- (8) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad, YTL Power Services Sdn Bhd and Cornerstone Crest Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.
- (9) Deemed interests by virtue of interests held by Tan & Yeoh Properties Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

Other than as disclosed above, the Directors who held office at the end of the financial year did not have interests in shares of the Company or its related corporations during the financial year.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Directors' report for the financial year ended 30 June 2011 (continued)

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than Directors' remuneration disclosed in Note 8 to the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except that certain directors received remuneration from the Company's related corporations.

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other corporate body, other than the Company's Employees' Share Option Scheme.

Statutory information on the financial statements

Before the Income Statements and Statements of Financial Position of the Group and the Company were made out, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for impairment of receivables and satisfied themselves that all known impairment had been written off and that adequate allowance had been made for provision for impairment of receivables; and
- (b) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for impairment of receivables or the amount of the provision for impairment of receivables in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Directors' report for the financial year ended 30 June 2011 (continued)

Statutory information on the financial statements (continued)

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group and the Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

- (a) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

Ultimate holding company

The Directors regard Yeoh Tiong Lay & Sons Holdings Sdn Bhd, a company incorporated in Malaysia, as the Company's ultimate holding company.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

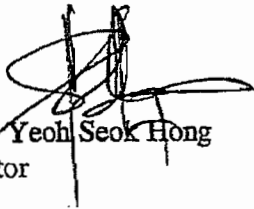
Directors' report for the financial year ended 30 June 2011 (continued)

Auditors

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 4 October 2011.

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE
Director


Dato' Yeoh Seok Hong
Director

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Income Statements for the financial year ended 30 June 2011

	Note	Group		Company	
		2011 RM' 000	2010 RM' 000	2011 RM' 000	2010 RM' 000
Revenue	5	14,662,559	13,442,917	602,996	324,957
Cost of sales		(12,102,331)	(10,889,251)	-	-
Gross profit		2,560,228	2,553,666	602,996	324,957
Other operating income		94,751	177,413	38,941	20,272
Administrative expenses		(372,119)	(298,295)	(36,120)	(36,564)
Other operating expenses		(165,271)	(145,618)	(26,987)	(46,298)
Finance costs	7	(847,495)	(828,764)	(196,661)	(193,041)
Share of results of associated companies	17	286,812	226,513	-	-
Profit before taxation	8	1,556,906	1,684,915	382,169	69,326
Taxation	9	(309,444)	(476,203)	(704)	(2,315)
Profit for the year		1,247,462	1,208,712	381,465	67,011
Attributable to:					
- Owners of the parent		1,364,168	1,208,838	381,465	67,011
- Non-controlling interests		(116,706)	(126)	-	-
		1,247,462	1,208,712	381,465	67,011
Earnings per share for profit attributable to the owners of the parent:					
- Basic (sen)	10	18.93	18.60		
- Diluted (sen)	10	17.47	17.11		
Dividend per ordinary share (sen)					
- RM0.50 each	11	9.39	13.13		

The notes set out on pages 23 to 150 form an integral part of these financial statements.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Statements of Comprehensive Income for the financial year ended 30 June 2011

	Note	Group		Company	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Profit for the year		1,247,462	1,208,712	381,465	67,011
Other comprehensive income/(loss):					
Available-for-sale reserve	29	23,920	-	16,916	-
Hedging reserve	29	100,593	-	-	-
Currency translation differences		520,185	(1,003,023)	-	-
Other comprehensive income/(loss) for the year, net of tax		644,698	(1,003,023)	16,916	-
Total comprehensive income for the year		1,892,160	205,689	398,381	67,011
Total comprehensive income/(loss) attributable to:					
- Owners of the parent		2,008,850	205,815	398,381	67,011
- Non-controlling interests		(116,690)	(126)	-	-
		1,892,160	205,689	398,381	67,011

The notes set out on pages 23 to 150 form an integral part of these financial statements.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Statements of Financial Position as at 30 June 2011

	Note	Group		Company	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	16,662,340	15,955,022	446	424
Prepaid lease payments	13	-	63,608	-	-
Intangible assets	14	6,484,398	6,148,646	-	-
Subsidiaries	15	-	-	10,965,360	10,965,360
Associated companies	17	1,138,020	992,907	5	5
Investments	18	253,271	111,043	182,223	96,578
Investment in preference shares	19	492,705	583,257	-	-
Derivative financial instruments	22	2,611	-	-	-
Receivables, deposits and prepayments	20	42,228	60,066	-	-
		25,075,573	23,914,549	11,148,034	11,062,367
Current assets					
Inventories	21	532,380	593,041	-	-
Receivables, deposits and prepayments	20	2,361,842	1,986,727	6,975	11,087
Derivative financial instruments	22	95,904	1,949	-	-
Amounts owing by subsidiaries	24	-	-	975,812	674,506
Amounts owing by related companies	38	1,336	2,732	-	2
Short term investments	25	-	48,393	-	48,393
Fixed deposits	26	6,768,272	7,025,387	250,951	562,671
Cash and bank balances	27	410,477	346,155	6,622	9,062
		10,170,211	10,004,384	1,240,360	1,305,721
TOTAL ASSETS		35,245,784	33,918,933	12,388,394	12,368,088
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	28	3,639,497	3,623,273	3,639,497	3,623,273
Reserves		4,873,782	3,586,793	4,144,335	4,345,109
Equity attributable to owners of the parent		8,513,279	7,210,066	7,783,832	7,968,382
Non-controlling interests		(121,980)	-	-	-
TOTAL EQUITY		8,391,299	7,210,066	7,783,832	7,968,382
LIABILITIES					
Non-current liabilities					
Deferred taxation	30	2,538,545	2,633,592	26	23
Bonds	31	7,816,189	7,740,168	2,143,984	2,107,240
Borrowings	32	6,799,405	11,041,891	1,330,000	1,700,000
Post-employment benefit obligations	33	132,770	185,866	-	-
Deferred income	34	256,834	218,140	-	-
Derivative financial instruments	22	19,989	-	-	-
Payables	35	25,877	5,932	-	-
		17,589,609	21,825,589	3,474,010	3,807,263
Current liabilities					
Payables and accrued expenses	36	2,324,211	2,115,082	159,378	292,191
Derivative financial instruments	22	94,152	23,749	-	-
Provision for liabilities and charges	37	20,099	20,660	-	-
Post-employment benefit obligations	33	932	676	208	185
Amount owing to immediate and penultimate holding company	23	35	65	-	-
Amounts owing to subsidiaries	24	-	-	49,719	-
Amounts owing to related companies	38	103,837	180,447	1,247	67
Taxation		239,337	142,299	-	-
Bonds	31	-	813,470	-	-
Borrowings	32	6,482,273	1,586,830	920,000	300,000
		9,264,876	4,883,278	1,130,552	592,443
TOTAL LIABILITIES		26,854,485	26,708,867	4,604,562	4,399,706
TOTAL EQUITY AND LIABILITIES		35,245,784	33,918,933	12,388,394	12,368,088

The notes set out on pages 23 to 150 form an integral part of these financial statements.

YTL Power International Berhad

(Company no: 406684-H)
(Incorporated in Malaysia)

Consolidated Statements of Changes in Equity for the financial year ended 30 June 2011

Group	Note	Attributable to Owners of the Parent										Total equity RM'000
		Share Capital (Note 28) RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Reserve RM'000	Other Reserve (Note 29(a)) RM'000	Treasury Shares (Note 29(b)) RM'000	Retained Earnings (Note 29(c)) RM'000	Total RM'000	Non-controlling Interest RM'000		
At 1 July 2010		3,623,273	2,942,668	(2,138,533)	(1,758,754)	203,178	(119,967)	4,458,201	7,210,066	-	-	7,210,066
Adoption of new accounting policy	44	-	-	-	-	(36,711)	-	(44,922)	(81,633)	-	-	(81,633)
At 1 July 2010, as restated		3,623,273	2,942,668	(2,138,533)	(1,758,754)	166,467	(119,967)	4,413,279	7,128,433	-	-	7,128,433
Profit for the year		-	-	-	-	-	-	1,364,168	1,364,168	(116,706)	-	1,247,462
Other comprehensive income		-	-	-	520,169	124,513	-	-	644,682	16	-	644,698
Total comprehensive income for the year		-	-	-	520,169	124,513	-	1,364,168	2,008,850	(116,690)	-	1,892,160
Non-controlling interests arising from business combination	15(b)	-	-	-	-	-	-	-	-	(5,290)	-	(5,290)
Exercise of share Warrants		8,860	12,583	-	-	-	-	-	21,443	-	-	21,443
Exercise of share options		7,364	19,318	-	-	(1,455)	-	-	25,227	-	-	25,227
Final dividends paid for year ended 30 June 2010	11	-	-	-	-	-	-	(135,238)	(135,238)	-	-	(135,238)
Interim dividends paid for year ended 30 June 2011	11	-	-	-	-	-	-	(405,845)	(405,845)	-	-	(405,845)
Interim dividends declared and payable for year ended 30 June 2011	11	-	-	-	-	-	-	(135,418)	(135,418)	-	-	(135,418)
Shares repurchased	29 (b)	-	-	-	-	-	(5)	-	(5)	-	-	(5)
Provision for share options	28 (b)	-	-	-	-	5,832	-	-	5,832	-	-	5,832
Warrant reserve	28 (a)	-	1,771	-	-	(1,771)	-	-	-	-	-	-
Share options lapsed		-	-	-	-	(29)	-	29	-	-	-	-
Exchange differences	29 (a)	-	-	-	4,395	(4,395)	-	-	-	-	-	-
At 30 June 2011		3,639,407	2,976,340	(2,138,533)	(1,234,190)	289,162	(119,972)	5,100,975	8,513,279	(121,980)	-	8,391,299

The notes set out on pages 23 to 150 form an integral part of these financial statements.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Consolidated Statements of Changes in Equity for the financial year ended 30 June 2011 (continued)

Group	Attributable to Owners of the Parent									
	Share Capital (Note 28) RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Reserve (Note 29(a)) RM'000	Other Reserve (Note 29(b)) RM'000	Treasury Shares (Note 29(c)) RM'000	Retained Earnings (Note 29(d)) RM'000	Total Equity RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 July 2009	2,955,140	1,774,815	(2,138,533)	(759,825)	235,280	(119,810)	4,154,857	6,101,924	126	6,102,050
Profit for the year	-	-	-	-	-	-	1,208,838	1,208,838	(126)	1,208,712
Other comprehensive income	-	-	-	(1,003,023)	-	-	-	(1,003,023)	-	(1,003,023)
Total comprehensive income for the year	-	-	-	(1,003,023)	-	-	1,208,838	205,815	(126)	205,689
Shares purchased	-	-	-	-	-	(157)	-	(157)	-	(157)
Exercise of share Warrants	474,759	657,368	-	-	-	-	-	1,132,127	-	1,132,127
Exercise of share options	5,598	13,683	-	-	(474)	-	-	18,807	-	18,807
Conversion of Bonds	187,776	485,802	-	-	(24,089)	-	-	649,489	-	649,489
Final dividend paid for year ended 30 June 2009	-	-	-	-	-	-	(125,240)	(125,240)	-	(125,240)
Interim dividends paid for year ended 30 June 2010	-	-	-	-	-	-	(510,644)	(510,644)	-	(510,644)
Interim dividends declared and payable for year ended 30 June 2010	-	-	-	-	-	-	(269,610)	(269,610)	-	(269,610)
Provision for share options	-	-	-	-	7,555	-	-	7,555	-	7,555
Warrant reserve	-	11,000	-	-	(11,000)	-	-	-	-	-
Exchange differences	-	-	-	4,094	(4,094)	-	-	-	-	-
At 30 June 2010	3,623,273	2,942,668	(2,138,533)	(1,758,754)	203,178	(119,967)	4,458,201	7,210,066	-	7,210,066

The notes set out on pages 23 to 150 form an integral part of these financial statements.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Statements of Changes in Equity for the financial year ended 30 June 2011

Company	Note	Share Capital (Note 28) RM'000	Share Premium RM'000	Other reserves (Note 29(a)) RM'000	Treasury Shares (Note 29(b)) RM'000	Retained Earnings (Note 29(c)) RM'000	Total RM'000
At 1 July 2010		3,623,273	2,942,668	132,871	(119,967)	1,389,537	7,968,382
Adoption of new accounting policy	44	-	-	27,605	-	13,468	41,073
At 1 July 2010, as restated		3,623,273	2,942,668	160,476	(119,967)	1,403,005	8,009,455
Profit for the year		-	-	-	-	381,465	381,465
Other comprehensive income		-	-	16,916	-	-	16,916
Total comprehensive income for the year		-	-	16,916	-	381,465	398,381
Exercise of share Warrants		8,860	12,583	-	-	-	21,443
Exercise of share options		7,364	19,318	(1,455)	-	-	25,227
Final dividends paid							
for year ended 30 June 2010	11	-	-	-	-	(135,238)	(135,238)
Interim dividends paid							
for year ended 30 June 2011	11	-	-	-	-	(405,845)	(405,845)
Interim dividends declared and payable							
for year ended 30 June 2011	11	-	-	-	-	(135,418)	(135,418)
Shares repurchased	29 (b)	-	-	-	(5)	-	(5)
Provision for share options	28 (b)	-	-	5,832	-	-	5,832
Warrant reserve	28 (a)	-	1,771	(1,771)	-	-	-
Share options lapsed		-	-	(29)	-	29	-
At 30 June 2011		3,639,497	2,976,340	179,969	(119,972)	1,107,998	7,783,832
At 1 July 2009		2,955,140	1,774,815	136,790	(119,810)	2,228,020	6,974,955
Profit for the year		-	-	-	-	67,011	67,011
Exercise of share Warrants		474,759	657,368	-	-	-	1,132,127
Exercise of share options		5,598	13,683	(474)	-	-	18,807
Conversion of Bonds		187,776	485,802	-	-	-	673,578
Final dividends paid							
for year ended 30 June 2009	11	-	-	-	-	(125,240)	(125,240)
Interim dividends paid							
for year ended 30 June 2010	11	-	-	-	-	(510,644)	(510,644)
Interim dividends declared and payable							
for year ended 30 June 2010	11	-	-	-	-	(269,610)	(269,610)
Shares repurchased	29 (b)	-	-	-	(157)	-	(157)
Provision for share options	28 (b)	-	-	7,555	-	-	7,555
Warrant reserve	28 (a)	-	11,000	(11,000)	-	-	-
At 30 June 2010		3,623,273	2,942,668	132,871	(119,967)	1,389,537	7,968,382

The notes set out on pages 23 to 150 form an integral part of these financial statements.

YTL Power International Berhad

(Company no: 406684 H)
(Incorporated in Malaysia)

Statements of Cash Flows for the financial year ended 30 June 2011

Note	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cash flows from operating activities				
Profit for the year	1,247,462	1,208,712	381,465	67,011
Adjustments for:				
Amortisation of grant	(9,506)	(6,056)	-	-
Amortisation of prepaid lease payments	-	4,604	-	-
Depreciation of property, plant and equipment	987,958	771,513	126	117
Dividend from quoted investment in Malaysia	(640)	(603)	-	-
Fair value changes of derivatives	(2,038)	-	-	-
Fair value changes on investments	(27,656)	-	(27,656)	-
Gain on disposal of investments	-	(5)	-	(2)
Ineffective portion on cash flow hedges	4,385	-	-	-
Interest expense	847,495	828,764	196,661	193,041
Interest income	(13,756)	(10,884)	-	-
Net gain on disposal of property, plant and equipment	(8,697)	(11,012)	(24)	-
Property, plant and equipment written off	17,692	5,399	-	-
Provision for impairment of receivables (net of reversal)	21,642	55,549	-	33,439
Provision for inventories obsolescence	2,868	6,444	-	-
Provision for liabilities and charges	3,705	(5,594)	-	-
Provision for retirement benefits	29,413	49,711	-	-
Provision/(Write back of provision) for fuel cost	5,049	(5,193)	-	-
Share of results of associated companies	(286,812)	(226,513)	-	-
Share options expenses	5,832	7,554	1,286	1,921
Taxation	309,444	476,203	704	2,315
Unrealised loss/(gain) on foreign exchange	18,016	2,370	(11,264)	(1,653)
	3,151,856	3,150,963	541,298	296,189
Changes in working capital:				
Inventories	76,113	196,401	-	-
Receivables, deposits and prepayments	(151,030)	57,734	(1,043)	(7,885)
Payables and accrued expenses	69,856	161,507	23,668	11,283
Immediate holding company	(50,650)	6,383	-	6,380
Subsidiaries	-	-	(106,793)	504,303
Related companies	(27,121)	80,624	1,182	(643)
Cash generated from operations	3,069,024	3,653,612	458,312	809,627
Interest paid	(640,256)	(665,280)	(160,876)	(148,102)
Payment to retirement benefits schemes	(95,534)	(104,383)	-	-
Tax (paid)/refunded	(299,097)	(220,016)	4,723	-
Net cash flow from operating activities	2,034,137	2,663,933	302,159	661,525

The notes set out on pages 23 to 150 form an integral part of these financial statements.

YTL Power International Berhad

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Statements of Cash Flows for the financial year ended 30 June 2011 (continued)

	Note	Group		Company	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cash flows from investing activities					
Development expenditure incurred		(23,030)	(11,599)	(23,030)	(11,599)
Dividends received		89,905	117,894	-	-
Grants received		25,650	25,687	-	-
Interest received		13,265	24,321	-	-
Proceeds from disposal of investments		52,588	3,814	48,393	2
Proceeds from disposal of property, plant and equipment		14,845	32,412	24	-
Investment in subsidiary		-	-	-	(737,000)
Purchase of investments		(49,655)	(1,620)	-	-
Purchase of property, plant and equipment		(1,324,241)	(1,611,331)	(148)	(375)
Acquisition of subsidiaries		(12,541)	-	-	-
Acquisition of associated company		(40,664)	-	-	-
Net cash flow (used in)/from investing activities		(1,253,878)	(1,420,422)	25,239	(748,972)
Cash flows from financing activities					
Advances to subsidiaries		-	-	(692,607)	(14,067)
Dividends paid		(810,693)	(855,387)	(810,693)	(855,387)
Finance lease creditors paid		-	(26,518)	-	-
Proceeds from borrowings		3,698,282	4,487,472	1,300,000	2,480,000
Proceeds from issue of bonds		-	268,965	-	-
Proceeds from issue of shares		48,124	1,151,408	48,124	1,151,408
Repayment of bonds		(834,330)	-	-	-
Repayment of borrowings		(3,308,319)	(4,010,837)	(1,050,000)	(2,598,304)
Debt financing fee		(596)	(15,434)	-	-
Repayment by subsidiaries		-	-	563,623	12,367
Repurchase of own shares		(5)	(157)	(5)	(157)
Net cash flow (used in)/from financing activities		(1,207,537)	999,512	(641,558)	175,860
Net changes in cash and cash equivalents		(427,278)	2,243,023	(314,160)	88,413
Effects of exchange rate changes		231,871	(823,053)	-	-
Cash and cash equivalents					
- at beginning of the year		7,326,721	5,906,751	571,733	483,320
- at end of the year	27	7,131,314	7,326,721	257,573	571,733

The notes set out on pages 23 to 150 form an integral part of these financial statements.

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Notes to the financial statements for the financial year ended 30 June 2011

1 General information

The principal activities of the Company are investment holding and the provision of administrative and technical support services. The principal activities of the subsidiaries are set out in Note 15(a) to the financial statements.

The immediate holding company is YTL Corporation Berhad and the ultimate holding company is Yeoh Tiong Lay & Sons Holdings Sdn Bhd, both of which are incorporated in Malaysia.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is as follows:

11th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur

The address of the principal place of business of the Company is as follows:

7th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur

2 Basis of preparation

The financial statements of the Group and the Company have been prepared under the historical cost convention except as disclosed in Note 3 to the financial statements.

The financial statements of the Group and the Company have been prepared in accordance with Financial Reporting Standards ('FRS') and the Companies Act, 1965. During the year, the Group and the Company had adopted new and amended FRS and IC Interpretations which are mandatory for the year beginning on or after 1 July 2010 as described in Note 2(a) to the financial statements below.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

2 Basis of preparation (continued)

The preparation of financial statements in conformity with Financial Reporting Standards and the Companies Act, 1965 requires the use of certain critical accounting estimates and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires the Directors to exercise their judgements in the process of applying the Company's accounting policies. Although these estimates and judgements are based on Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except as otherwise indicated.

(a) Standards, amendments to published standards and interpretations that are effective

The new accounting standards, amendments to published standards and IC Interpretations to the existing standards effective for the Group and the Company's financial year beginning on or after 1 July 2010 are as follow:

FRS, Amendments to FRS and Interpretations	Effective for financial periods beginning on or after
• FRS 1 (revised) 'First-time Adoption of Financial Reporting Standards'	1 July 2010
• FRS 3 (revised) 'Business Combinations'	1 July 2010
• FRS 4 'Insurance Contracts'	1 January 2010
• FRS 7 'Financial Instruments: Disclosures'	1 January 2010
• FRS 101 (revised) 'Presentation of Financial Statements'	1 January 2010
• FRS 123 (revised) 'Borrowing Costs'	1 January 2010
• FRS 127 (revised) 'Consolidated and Separate Financial Statements'	1 July 2010
• FRS 139 'Financial Instruments: Recognition and Measurement'	1 January 2010

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

2 Basis of preparation (continued)

(a) Standards, amendments to published standards and interpretations that are effective (continued)

FRS, Amendments to FRS and Interpretations	Effective for financial periods beginning on or after
• Amendments to FRS 139, FRS 7 & IC 9 [eligible hedged items]	1 January 2010
• Amendments to FRS 139, FRS 7 & IC 9 [reclassification of financial assets]	1 January 2010
• Amendments to FRS 139, FRS 7 & IC 9 [embedded derivatives]	1 January 2010
• Amendments to FRS 1 'First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'	1 January 2010
• Amendments to FRS 2 'Share-based Payment Vesting Conditions and Cancellations'	1 January 2010
• Amendments to FRS 2 'Share-based Payment'	1 July 2010
• Amendments to FRS 5 'Non-current Assets Held for Sale and Discontinued Operations' [Improvement to FRSs (2009)]	1 January 2010
• Amendments to FRS 5 'Non-current Assets Held for Sale and Discontinued Operations'	1 July 2010
• Amendments to FRS 7 'Financial Instruments: Disclosures' [Compilation]	1 January 2010
• Amendments to FRS 8 'Operating Segments' [Improvement to FRSs (2009)]	1 January 2010
• Amendments to FRS 127 'Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate' [Improvements to FRSs (2009)]	1 January 2010
• Amendments to FRS 128 'Investment in Associates' [Improvement to FRSs (2009)]	1 January 2010
• Amendments to FRS 129 'Financial Reporting in Hyperinflationary Economies' [Improvement to FRSs (2009)]	1 January 2010
• Amendments to FRS 131 'Interests in Joint Ventures' [Improvement to FRSs (2009)]	1 January 2010

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

2 Basis of preparation (continued)

- (a) Standards, amendments to published standards and interpretations that are effective (continued)

FRS, Amendments to FRS and Interpretations	Effective for financial periods beginning on or after
• Amendments to FRS 132 'Financial Instruments: Presentation' [Compilation]	1 January 2010
• Amendments to FRS 132 'Financial Instruments: Presentation' [Classification of Rights Issues]	1 January 2010/ 1 March 2010
• Amendments to FRS 134 'Interim Financial Reporting' [Improvement to FRSs (2009)]	1 January 2010
• Amendments to FRS 136 'Impairment of Assets' [Improvement to FRSs (2009)]	1 January 2010
• Amendments to FRS 138 'Intangible Assets' [Improvement to FRSs (2009)]	1 January 2010
• Amendments to FRS 140 'Investment Property' [Improvement to FRSs (2009)]	1 January 2010
• I C Interpretation 9 'Reassessment of Embedded Derivatives'	1 January 2010
• IC Interpretation 10 'Interim Financial Reporting and Impairment'	1 January 2010
• IC Interpretation 11 'FRS 2 Group and Treasury Share Transactions'	1 January 2010
• IC Interpretation 12 'Service Concession Arrangements'	1 July 2010
• IC Interpretation 13 'Customer Loyalty Programmes'	1 January 2010
• IC Interpretation 14 'FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'	1 January 2010
• IC Interpretation 16 'Hedges of a Net Investment in a Foreign Operation'	1 July 2010
• IC Interpretation 17 'Distributions of Non-cash Assets to Owners'	1 July 2010
• Amendments to IC Interpretation 9 'Reassessment of Embedded Derivatives'	1 July 2010

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

2 Basis of preparation (continued)

(a) Standards, amendments to published standards and interpretations that are effective (continued)

All changes in the accounting policies have been made in accordance with the transitional provisions in the respective standards. All new and revised FRSs adopted by the Group and the Company require retrospective application except for FRS 139 where its transitional provisions only require the recognition and re-measurement of all financial assets and financial liabilities as at 1 July 2010 as appropriate. The adjustments related to the previous carrying amounts are made to the opening retained profits and reserves as appropriate. Comparatives are not restated.

A summary of the changes and impact of the new standards, amendments to the published standards and IC Interpretations to existing standards on the financial statements of the Group and the Company is set out in Note 44 to the financial statements.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

2 Basis of preparation (continued)

(b) Financial Reporting Standard and IC Interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following new or revised Financial Reporting Standards ('FRS'), amendments to FRS and IC Interpretations ('IC Int') have been issued but are not yet effective and have not been adopted by the Group and the Company:

FRS, Amendments to FRS and Interpretations	Effective for financial periods beginning on or after
• FRS 124 'Related Party Disclosures'	1 January 2012
• Amendment to FRS 1 'Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters'	1 January 2011
• Amendment to FRS 1 'Additional Exemption for First-time Adopters'	1 January 2011
• Amendment to FRS 1 'First-time Adoption of Financial Reporting Standards'	1 January 2011
• Amendment to FRS 2 'Group Cash-settled Share-based Payment Transactions'	1 January 2011
• Amendment to FRS 3 'Business Combinations'	1 January 2011
• Amendment to FRS 7 'Financial Instruments: Improving Disclosures about Financial Instruments'	1 January 2011
• Amendment to FRS 7 'Financial Instruments: Disclosures'	1 January 2011
• Amendments to FRS 101 'Presentation of Financial Statements'	1 January 2011
• Amendments to FRS 121 'The Effects of Changes in Foreign Exchange Rates'	1 January 2011
• Amendment to FRS 128 'Investment in Associates'	1 January 2011
• Amendment to FRS 131 'Interests in Joint Ventures'	1 January 2011
• Amendment to FRS 132 'Financial Instruments : Presentation'	1 January 2011
• Amendments to FRS 134 'Interim Financial Reporting'	1 January 2011
• Amendment to FRS 139 'Financial Instruments : Recognition and Measurement'	1 January 2011

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

2 Basis of preparation (continued)

- (b) Financial Reporting Standard and IC Interpretations issued but not yet effective (continued)

FRS, Amendments to FRS and Interpretations	Effective for financial periods beginning on or after
• IC Interpretation 4 'Determining Whether an Arrangement contains a Lease'	1 January 2011
• IC Interpretation 18 'Transfer of Assets from Customers'	1 January 2011
• IC Interpretation 19 'Extinguishing Financial Liabilities with Equity Instruments'	1 July 2011
• Amendment to IC Interpretation 13 'Customer Loyalty Programmes'	1 January 2011
• Amendment to IC Interpretation 14 'Prepayments of a Minimum Funding Requirement'	1 July 2011

All the above FRS, amendments and IC Interpretations will be effective for the Group's and the Company's financial year beginning 1 July 2011 except the revised FRS 124 which will be effective for the financial year beginning 1 July 2012.

The adoption of the above standards, amendments to published standards and IC interpretations are not expected to have a material impact on the Group and the Company.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

(a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Cost also includes borrowing costs incurred for assets under construction. The cost of certain property, plant and equipment includes the costs of dismantling, removal and restoration, the obligation which was incurred as a consequence of installing the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Infrastructure assets are amortised in equal instalments over a period of one hundred and ten (110) years. Freehold land is not depreciated as it has an infinite life. All other property, plant and equipment are depreciated on a straight line basis to write off the cost of each asset to its residual value over its estimated years of useful lives, summarised as follows:

	Years
Buildings	10 - 50
Plant and machinery	3 - 25
Mains and lines	20
Office equipment	3 - 10
Computers	3 - 5
Furniture and fittings	3 - 10
Motor vehicles and aircraft	5 - 10
Telecommunications equipment	5 - 25

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(a) Property, plant and equipment (continued)

Assets under construction are stated at cost and are not depreciated. Upon completion, assets under construction are transferred to categories of property, plant and equipment depending on nature of assets. Depreciation on property, plant and equipment under construction commences when the property, plant and equipment are ready for their intended use. Depreciation of property, plant and equipment ceases at the earlier of derecognition and classification as held for sale.

At each reporting date, the Group assesses whether there is any indication of impairment. If such indication exists, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amounts exceed the recoverable amounts. See accounting policy Note 3(d) to the financial statements on impairment of non-financial assets.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the profit or loss.

(b) Leases

(i) Accounting by lessee

Finance lease

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

The asset is treated as if they had been purchased and the corresponding capital cost is shown as an obligation. Leasing payments are treated as consisting of a capital element and finance costs, the capital element reducing the obligation to the lessor and the finance charge being written off to the profit or loss over the period of the lease in reducing amounts in a constant rate in relation to the outstanding obligations.

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**Notes to the financial statements
for the financial year ended 30 June 2011 (continued)****3 Significant accounting policies (continued)****(b) Leases (continued)****(i) Accounting by lessee (continued)*****Finance lease (continued)***

When assets are leased out under an operating lease, the asset is included in the Statements of Financial Position based on the nature of the asset. Lease income is recognised over the term of the lease on a straight line basis. The assets are depreciated in accordance with the relevant accounting policy for property, plant and equipment.

Operating lease

Leases of assets where significant portion of the risks and rewards of ownership retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on the straight line basis over the lease period.

When an operating lease is terminated before the lease period expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(ii) Accounting by lessor***Operating lease***

Assets leased out under operating leases are included in property, plant and equipment in the Statements of Financial Position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on the straight line basis over the lease term.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(c) Intangible assets - Goodwill

Goodwill arises on the acquisitions of subsidiaries and it represents the excess of the cost of the acquisition over the Group's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree at the date of acquisition.

Goodwill is measured at cost less any accumulated impairment losses. When the excess is negative (negative goodwill), it is recognised immediately in the profit or loss.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing and is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. See accounting policy Note 3(d) to the financial statements on impairment of non-financial assets.

(d) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or as and when events or circumstances occur indicating that impairment may exist. Assets that are subject to amortisation are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to the profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in the profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(e) Subsidiaries

Subsidiaries are all entities in which the Group has power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are consolidated using the acquisition method of accounting except for certain business combinations which were accounted for using the merger method as follows:

- Subsidiaries that were consolidated prior to 1 July 2002 in accordance with Malaysian Accounting Standard 2 'Accounting for Acquisitions and Mergers', the generally accepted accounting principles prevailing at that time.
- The Group has taken advantage of the exemption provided by FRS 3 to apply this Standard prospectively. Accordingly, business combinations entered prior to the respective effective dates have not been restated to comply with this Standard.

Intragroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets as of the date of disposal including the cumulative amount of any exchange differences that relate to the subsidiaries in the profit or loss.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(e) Subsidiaries (continued)

(i) *Acquisition method*

Under the acquisition method of accounting, subsidiaries are fully consolidated from the date of which control is transferred to the Group and are de-consolidated from the date that control ceased. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. The excess of the cost of acquisition over the fair value of the Group's share of the subsidiaries' identifiable net assets acquired is reflected as goodwill. Goodwill is retained in the Consolidated Statements of Financial Position at cost. Where an indication of impairment exists, the carrying amount of the net asset is assessed and written down immediately to its recoverable amount.

The excess of the fair value of the Group's share of the subsidiaries' identifiable net assets over the cost of acquisition at the date of acquisition is recognised directly in the profit or loss.

(ii) *Merger method*

Acquisition of a subsidiary, YTL Power Generation Sdn Bhd, is accounted for using merger accounting principles.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(e) Subsidiaries (continued)

(ii) Merger method (continued)

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been effected throughout the current and previous years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between the carrying value of the investment in the subsidiary over the nominal value of the shares acquired is taken to merger reserve.

On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any share premium, capital redemption reserve and any other reserves which are attributable to share capital of the merged enterprises, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other capital reserves.

(iii) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(f) Associated companies

Associated companies are companies in which the Group exercises significant influence, but which it does not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the associated companies but not control over those policies.

Investments in associated companies are accounted for in the consolidated financial statements by using the equity method of accounting and are initially recognised at cost. The Group's investment in associated companies includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of post-acquisition profit or loss is recognised in the profit or loss and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying value of investment. When the Group's share of losses in the associated company equals or exceeds its interest in the associated company, including any other unsecured obligations, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associated company.

The results of associated companies are taken from the most recent financial statements of the associated companies' concerned, made up to dates not more than three months prior to the end of the year of the Group.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, in applying the purchase method, adjustments are made to the financial statements of associated companies to ensure consistency of accounting policies with those of the Group.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(g) Joint ventures

(i) *Jointly controlled entities*

Jointly controlled entities are corporations, partnerships or other entities over which there is contractually agreed sharing of control by the Group with one or more parties where the strategic financial and operating decisions relating to the entities require unanimous consent of the parties sharing control. The Group's interests in jointly controlled entities are accounted for in the consolidated financial statements by the equity method of accounting.

Equity accounting involves recognising in the profit or loss the Group's share of the results of jointly controlled entities for the financial year. The Group's investments in jointly controlled entities are carried in the Statements of Financial Position at an amount that reflects its share of the net assets of the jointly controlled entities and includes goodwill on acquisition.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the asset transferred. Where necessary, adjustments have been made to the financial statements of jointly controlled entities to ensure consistency of accounting policies with those of the Group.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the joint venture.

(ii) *Jointly controlled operations*

When a group company is party to a joint arrangement, that company accounts directly for its part of income and expenditure, assets, liabilities and cash flows. Such arrangements are reported in the consolidated financial statements on the same basis.

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**Notes to the financial statements
for the financial year ended 30 June 2011 (continued)****3 Significant accounting policies (continued)****(h) Investments in subsidiaries, jointly controlled entities and associated companies**

Investments in subsidiaries, jointly controlled entities and associated companies are stated at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

(i) Development expenditure

Development expenditure incurred is capitalised when it meets certain criteria that indicate that it is probable that the costs will give rise to future economic benefits and are amortised over the period of the projects. They are written down to their recoverable amounts when there is insufficient certainty that future economic benefit will flow to the enterprise.

(j) Trade and other receivables

Trade and other receivables are carried at original invoiced amounts less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Inventories comprise primarily of fuel and spare parts. The cost of work in progress comprises raw materials, direct labour, other direct costs and related overheads. It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(1) Financial assets

Financial assets are classified in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. Management determines the classification of its financial assets at initial recognition based on the nature of the asset and the purpose for which the asset was acquired.

(i) Financial Assets at Fair Value through Profit or Loss ('FVTPL')

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

Changes in the fair values of financial assets at fair value through profit or loss are recognised in the profit or loss in the period in which the changes arise.

To reduce the accounting mismatch, the fair value option is applied to investments that include embedded derivatives.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting date. These are classified as non-current assets. The Group's loans and receivables comprise non-current receivables, trade and other receivables and cash and bank balances in the Statements of Financial Position.

When loans and receivables are impaired, the carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. Impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the asset's original effective interest rate.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(I) Financial assets (continued)

(iii) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months from the end of the reporting date.

Changes in the fair values of available-for-sale investments are recognised in other comprehensive income. When available-for-sale financial assets are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to the profit or loss.

(iv) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expires or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

(v) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount presented in the Statements of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(l) Financial assets (continued)

(vi) Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss.

(b) Assets classified as available-for-sale

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is taken as evidence that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed through profit or loss.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(m) Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- (a) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
- (b) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
- (c) hedges of a net investment in a foreign operation (net investment hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 22 to the financial statements. Movements on the hedging reserve in other comprehensive income are shown in Note 29(a)(iv) to the financial statements. The full fair value of a hedging derivative is classified as non-current asset or liability when the remaining hedged item is more than 12 months, and as current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current asset or liability.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(m) Derivative financial instruments and hedging activities (continued)

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Group only applies fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the profit or loss within 'finance costs'. The gain or loss relating to the ineffective portion is recognised in the profit or loss within 'other gains/(losses) – net'. Changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk are recognised in the profit or loss within 'finance costs'.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss within 'other gains/(losses) – net'.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the profit or loss within 'revenue'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in cost of goods sold in the case of inventory or in depreciation in the case of property, plant and equipment.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(m) Derivative financial instruments and hedging activities (continued)

(ii) Cash flow hedge (continued)

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the profit or loss within 'other gains/(losses) – net'.

(n) Financial guarantee

Financial guarantee contracts are contracts that require the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with FRS 137 'Provisions, contingent liabilities and contingent assets' and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where financial guarantees in relation to loans or payables of subsidiaries are provided by the Company for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of investment in subsidiaries.

(o) Cash and cash equivalents

For the purpose of the Statements of Cash Flows, cash and cash equivalents comprise cash in hand, deposits held at call with financial institutions with original maturities of three months or less and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the Statements of Financial Position. For the purpose of the Statements of Cash Flows, cash and cash equivalents are presented net of bank overdrafts.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(p) Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

The portion of a convertible bond representing the value of the conversion option at the time of issue is included in equity. The value of the conversion option is not changed in subsequent periods. Upon conversion of the bond to equity shares, the amount credited to share capital and share premium is the aggregate of the amounts classified within liability and equity at the time of conversion. No gain or loss is recognised. If the bond is redeemed, the conversion option is transferred to retained earnings.

Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

Dividends to shareholders are recognised in equity in the period in which they are declared.

Purchase of own shares

Shares repurchased by the Company are held as treasury shares and are accounted for on the cost method. The amount of the consideration paid, including directly attributable costs, is recognised as cost and set off against equity. Should such shares be cancelled, reissued or disposed of, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves, as appropriate. Where the treasury shares are subsequently distributed as dividends to shareholders, the cost of the treasury shares is applied as a reduction of the share premium account or the distributable retained profits or both.

(q) Bonds and borrowings

Bonds and borrowings are initially recognised based on the proceeds received, net of transaction costs incurred. Subsequently, bonds and borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the bonds and borrowings.

Interest relating to a financial instrument classified as a liability is reported within finance cost in the profit or loss.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(q) Bonds and borrowings (continued)

Bonds and borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing cost incurred to finance the construction of property, plant and equipment are capitalised as part of the cost of the assets during the period of time that is required to complete and prepare the asset for its intended use.

(r) Grants and contributions

Grants and contributions in respect of specific qualifying expenditure on property, plant and equipment are included in non-current liability as deferred income. The income is recognised in the profit or loss over the expected useful economic lives of the related assets or otherwise to match them with the related costs which they are intended to compensate, on a systematic basis.

(s) Provisions

The Group recognises provisions when it has a present legal or constructive obligation arising as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. The recording of provisions requires the application of judgments about the ultimate resolution of these obligations. As a result, provisions are reviewed at each reporting date and adjusted to reflect the Group's current best estimate.

(t) Restructuring provision

Restructuring provision mainly comprises employee termination payments, and is recognised in the year in which the Group becomes legally or constructively committed to the payment. Future operating costs are not provided for. Employee termination benefits are recognised only either after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy and the number of employees affected, or after individual employees have been advised of the specific terms. Costs related to the on-going activities of the Group are not provided in advance. Any property, plant and equipment that are no longer required for their original use are transferred to current assets and carried at the lower of its carrying amount and estimated net realisable value.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(u) Revenue recognition

(i) *Sale of electricity*

Revenue from sales of electricity is recognised upon performance of services based on the invoiced value of sales net of discounts allowed and also includes an estimate of the value of services provided between the last meter reading date and the year end.

(ii) *Sale of physical fuel oil*

Revenue from sale of physical fuel oil is recognised when the risks and rewards of ownership of the oil have been passed to the customers which occurs when the oil has been delivered and the collectability of the related receivable is reasonably assured.

(iii) *Sale of steam*

Revenue is recognised upon delivery of steam.

(iv) *Supply of clean water and treatment and disposal of waste water*

Revenue from supply of clean water and treatment and disposal of waste water represents the amounts (excluding value added tax, where applicable) derived from the provision of goods and services to third party customers. The Group has chosen not to recognise as turnover the bills raised for customers who have a record of two years non payment.

(v) *Tank leasing fees and others*

Tank leasing fees from operating leases are recognised on a straight-line basis over the lease term.

(vi) *Broadband and telecommunications revenue*

Revenue relating to provision of broadband, telecommunications and related services are recognised net of discounts upon the transfer of risks and rewards when goods are delivered and services are performed. Revenue derived from prepaid services is deferred if the services have not been rendered at the reporting date.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(u) Revenue recognition (continued)

(vii) *Other revenues*

Other revenues earned by the Group are recognised on the following bases:

Dividend income	- When the shareholders' right to receive payment is established.
Interest income	- On an effective yield basis.
Management fees	- When services are rendered and invoiced, net of service taxes.
Operation and maintenance fees	- When services are rendered and invoiced.

(v) Employee benefits

(i) *Short term employee benefits*

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) *Post-employment benefits*

The Group has various post-employment benefit schemes in accordance with local conditions and practices in the countries in which it operates. These benefit plans are either defined contribution or defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(v) Employee benefits (continued)

(iii) *Defined contribution plan*

The Group's contributions to defined contribution plan are charged to the profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(iv) *Defined benefit plan*

The liability in respect of a defined benefit plan is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets, together with adjustments for actuarial gains or losses and past service cost. The Group determines the present value of the defined benefit obligation and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

The defined benefit obligation, calculated using the projected unit credit method, is determined by independent actuaries, considering the estimated future cash outflows using market yields at the reporting date of government securities which have currency and terms to maturity approximating the terms of the related liability.

Plan assets in excess of the defined benefit obligation are subject to the asset limitation specified in FRS 119.

Actuarial gains and losses arise from experience adjustments and changes in actuarial assumptions. The amount of net actuarial gains and losses recognised in the profit or loss is determined by the corridor method in accordance with FRS 119 and is charged or credited to income over the average remaining service lives of the related employees participating in the defined benefit plan.

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**Notes to the financial statements
for the financial year ended 30 June 2011 (continued)****3 Significant accounting policies (continued)****(v) Employee benefits (continued)***(v) Share-based compensation*

The Group operates an equity-settled, share-based compensation plan for the employees of the Group. The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense in the profit or loss over the vesting periods of the grant with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted and the number of share options to be vested by vesting date. At each reporting date, the Group revises its estimates of the number of share options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity. For options granted to subsidiaries, the expense will be recognised in the subsidiaries' financial statements over the vesting periods of the grant.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(w) Income taxes

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits, including withholding taxes payable by a foreign subsidiary, associated company or joint venture on distributions of retained earnings to companies in the Group.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at that time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group's share of income taxes of jointly controlled entities and associated companies are included in the Group's share of results of jointly controlled entities and associated companies.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(x) Foreign currencies

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

(iii) *Group companies*

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each Income Statement are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

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Notes to the financial statements for the financial year ended 30 June 2011 (continued)

3 Significant accounting policies (continued)

(x) Foreign currencies (continued)

(iii) Group companies (continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in other comprehensive income are recognised in the profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after 1 July 2006 are treated as assets and liabilities of the foreign entity and translated at the closing rate. For acquisition of foreign entities completed prior to 1 July 2006, goodwill and fair value adjustments continued to be recorded at the exchange rate at the respective date of acquisitions.

(y) Segment reporting

Segment reporting is presented for enhanced assessment of the Group's risks and returns. Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those components operating in other economic environments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expense, assets and segment liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment.