

**YTL CORPORATION BERHAD** (Company No: 92647-H)  
(Incorporated in Malaysia)

**QUARTERLY REPORT**

Quarterly report on consolidated results for the financial quarter ended 31 March, 2001.

The figures have not been audited.

**CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/3/2001 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/3/2000 RM'000	CURRENT YEAR TO DATE 31/3/2001 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/3/2000 RM'000
1 (a) Turnover	570,121	548,482	1,701,113	1,640,220
(b) Investment income	657	1,027	1,009	1,265
(c) Other income including interest income	36,561	21,477	109,693	296,757
2 (a) Operating profit before interest on borrowings, depreciation and amortisation, income tax and minority interests	233,091	218,241	754,029	670,719
(b) Interest on borrowings	(38,925)	(37,577)	(124,759)	(135,559)
(c) Depreciation and amortisation	(38,770)	(39,761)	(115,771)	(116,346)
(d) Exceptional items	-	-	-	187,117
(e) Operating profit after interest on borrowings, depreciation and amortisation, but before income tax and minority interests	155,396	140,903	513,499	605,931
(f) Share in the results of associated companies	5,314	2,675	15,269	6,919
(g) Profit before taxation and minority interests	160,710	143,578	528,768	612,850
(h) Taxation	(49,100)	(49,160)	(150,159)	(136,095)

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**CONSOLIDATED INCOME STATEMENT- (Continued)**

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR TO	PRECEDING YEAR
		QUARTER	CORRESPONDING QUARTER	DATE	CORRESPONDING PERIOD
		31/3/2001	31/3/2000	31/3/2001	31/3/2000
		RM'000	RM'000	RM'000	RM'000
(i)	(i) Profit after taxation before deducting minority interests	111,610	94,418	378,609	476,755
	(ii) Minority interests	(46,512)	(40,306)	(154,481)	(126,202)
		-----	-----	-----	-----
(j)	Profit after taxation attributable to members of the Company	65,098	54,112	224,128	350,553
		=====	=====	=====	=====
3 (a)	Earnings per share based on 2 (j) above :-				
(i)	Basic	4.58 sen	3.71 sen	15.47 sen	24.04 sen
		=====	=====	=====	=====
	Basic earnings per share based on weighted average number of ordinary shares ('000)	1,419,953	1,458,267	1,449,105	1,458,215
		=====	=====	=====	=====
(ii)	Diluted	4.46 sen	3.27 sen	15.07 sen	21.56 sen
		=====	=====	=====	=====
	Diluted earnings per share based on weighted average number of ordinary shares ('000)	1,459,408	1,653,450	1,487,655	1,626,281
		=====	=====	=====	=====

**YTL CORPORATION BERHAD** (Company No: 92647-H)  
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**CONSOLIDATED BALANCE SHEET**

	<b>AS AT END OF CURRENT QUARTER</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2000</b>	
	<b>31.3.2001 RM'000</b>	<b>As restated RM'000</b>	<b>As reported RM'000</b>
PROPERTY, PLANT & EQUIPMENT	3,180,543	3,270,028	3,270,028
INVESTMENT PROPERTIES	369,658	369,552	369,552
INVESTMENT IN SUBSIDIARIES	196,870	196,870	196,870
SUBSIDIARIES NOT CONSOLIDATED	5,242	5,238	5,238
INVESTMENT IN ASSOCIATED COMPANIES	285,047	164,237	164,237
QUOTED INVESTMENTS	36,769	37,258	37,258
UNQUOTED INVESTMENTS	139,846	1,250	1,250
LAND & DEVELOPMENT EXPENDITURE	53,904	77,061	77,061
CAPITAL WORK-IN-PROGRESS	4,980	4,980	4,980
INTANGIBLE ASSETS	1,056	214	214
<b>CURRENT ASSETS</b>			
Inventories	111,556	104,844	104,844
Property development projects	73,283	39,112	39,112
Trade debtors	1,173,598	1,143,404	1,143,404
Amount due from customers for contract works	192,245	199,503	199,503
Other debtors, deposits & prepayments	518,926	465,200	465,200
Inter-company balances	47,794	148,587	148,587
Short term investments	10,000	64,575	64,575
Fixed deposits	3,463,744	3,679,952	3,679,952
Cash & bank balances	101,486	16,877	16,877
	5,692,632	5,862,054	5,862,054

**YTL CORPORATION BERHAD** (Company No: 92647-H)  
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**CONSOLIDATED BALANCE SHEET -(Continued)**

	<b>AS AT END OF CURRENT QUARTER</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2000</b>	
	<b>31.3.2001 RM'000</b>	<b>As restated RM'000</b>	<b>As reported RM'000</b>
<b>CURRENT LIABILITIES</b>			
Trade creditors	136,420	149,700	149,700
Amount due to customers for contract works	17,490	19,897	19,897
Other creditors & accruals	198,894	232,043	232,043
Inter-company balances	30,582	16,166	16,166
Borrowings	597,382	458,835	458,835
Provision for taxation	105,171	91,962	91,962
Dividends	1,275	52,952	52,952
	----- 1,087,214	----- 1,021,555	----- 1,021,555
<b>NET CURRENT ASSETS</b>	----- 4,605,418	----- 4,840,499	----- 4,840,499
<b>GOODWILL ON CONSOLIDATION</b>	----- 148,494	----- 118,694	----- 118,694
	----- 9,027,827	----- 9,085,881	----- 9,085,881
	=====	=====	=====
<b>SHARE CAPITAL</b>	736,526	733,734	733,734
<b>RESERVES</b>			
Share premium	681,901	668,926	668,926
Capital reserve	23,494	23,445	23,445
Retained profits	2,817,041	2,592,962	2,766,362
Others	22,195	18,164	18,164
Less: Treasury shares, at cost	(249,980)	-	-
	----- 4,031,177	----- 4,037,231	----- 4,210,631
<b>SHAREHOLDERS' FUNDS</b>			
<b>MINORITY INTERESTS</b>	1,735,288	1,767,057	1,889,657
<b>LONG TERM BORROWINGS</b>	2,778,219	2,836,844	2,836,844
<b>OTHER LONG TERM LIABILITIES</b>	483,143	444,749	148,749
	----- 9,027,827	----- 9,085,881	----- 9,085,881
	=====	=====	=====
<b>Net tangible assets per share (RM)</b>	----- 2.73	----- 2.67	----- 2.79
	=====	=====	=====

**QUARTERLY REPORT**

**Notes :**

**1. Accounting Policies**

The quarterly financial statements have been prepared based on the same accounting policies and methods of computation adopted in the recent annual financial statements save and except for the change in accounting policy with respect to the treatment of deferred taxation by the YTL Power International Berhad Group (“YTL Power Group”). With effect from the current quarter ended 31 March 2001, provision for deferred taxation by the YTL Power Group is made using the liability method in respect of all timing differences. Details of the change in the accounting policy are set out in Note 22.

**2. Exceptional Item**

During the current financial year to date, there was no exceptional item.

**3. Extraordinary Item**

During the current financial year to date, there was no extraordinary item.

**4. Taxation**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR TO DATE	PRECEDING YEAR
	QUARTER	CORRESPONDING QUARTER	DATE	CORRESPONDING PERIOD
	31/3/2001	31/3/2000	31/3/2001	31/3/2000
	RM'000	RM'000	RM'000	RM'000
Current provision	32,780	37,845	111,605	100,440
Deferred taxation	16,320	11,315	38,554	35,655
	-----	-----	-----	-----
	49,100	49,160	150,159	136,095
	=====	=====	=====	=====

**5. Pre-acquisition Profits**

There was no pre-acquisition profits included in the results of the Group for the current financial year to date.

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Notes - Continued

6. **Sale of Investments**

Included in the other income of the Group for the current financial year to date is profit on sale of investments amounting to RM2.3 million.

7. **Quoted Investments**

(a) During the current financial year to date, the Group has acquired and disposed of the following quoted shares :

	<b>Acquired RM'000</b>	<b>Disposed RM'000</b>
Quoted subsidiary's shares, at cost	7	-
Other quoted shares, at cost	966	1,455
	=====	=====

During the current financial year to date, the following quoted subsidiaries have purchased their own shares :

	<b>Acquired RM'000</b>
YTL Power International Berhad, at cost	131,955
YTL Cement Berhad, at cost	15,418
	=====

(b) The cost, carrying value and the market value of the other quoted investments of the Group as at end of the current financial year to date:

	<b>RM'000</b>
Cost	36,769
Carrying value	36,769
Market value	44,301
	=====

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

There was no material change in the composition of the Group for the current financial year to date that will materially affect the financial results and state of affairs of the Group.

**QUARTERLY REPORT**

Notes - Continued

**9. Corporate Developments**

Corporate proposal announced but not yet completed at the date of this report is as follows:

Proposed New Employees Share Option Scheme (“Proposed ESOS”) announced on 2 March 2001 for employees and Executive Directors of the Company and its subsidiaries who meet the criteria of eligibility for participation in the Proposed ESOS. The Proposed ESOS is pending the approvals of the relevant authorities.

**10. Seasonality or Cyclicity of Operations**

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

**11. Changes in Share Capital**

No shares were issued during the quarter.

As at 24 May, 2001, the Company purchased 52,024,000 ordinary shares from the open market at an average price of RM4.81 per share. During the quarter ended 31 March 2001, a total of 16,391,000 shares were purchased from the open market for a total consideration of RM81,118,099.25. The share buy-back transactions were financed by internally generated funds. The shares purchased are being held as treasury shares.

**12. Group Borrowings and Debt Securities**

The Group’s borrowings from financial institutions as at end of the current financial quarter are as follows :

	<b>Short term RM’000</b>	<b>Long term RM’000</b>	<b>Total RM’000</b>
Secured	127,342	928,219	1,055,561
Unsecured	470,040	1,850,000	2,320,040
	-----	-----	-----
	597,382	2,778,219	3,375,601
	=====	=====	=====

The borrowings denominated in foreign currency are as follows:

In US Dollar (’000)	25
In Hong Kong Dollar (’000)	14,599
	=====

**QUARTERLY REPORT**

Notes - Continued

**13. Contingent Liabilities - Unsecured**

- (a) The Company has given corporate guarantees amounting to RM661.1 million to financial institutions for facilities granted by the financial institutions to its subsidiaries as follows :

	<b>Total Amount Guaranteed RM'000</b>	<b>Amount Utilised RM'000</b>
Block discounting/hire purchase facility	23,400	-
Bank overdrafts	139,600	19,431
Letters of credit/trust receipts/bankers acceptances/shipping guarantees	181,400	82,220
Revolving loans/advances	111,500	70,000
Suppliers credit facility	2,500	261
Bankers guarantees :- Advance payment bonds/performance bonds, pre-bid bonds and other related guarantees	202,724	121,621
	----- 661,124	----- 293,533
	=====	=====

- (b) A subsidiary is subject to a claim for damages in the amount of RM930,000 plus interest and costs. The trial had commenced and is expected to be completed in by the end of calendar year 2001.

**14. Off Balance Sheet Financial Instruments**

No off balance sheet financial instruments were utilised for the current financial year to date.

**15. Pending Material Litigation**

There was no material litigation pending as at the date of this report.



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**QUARTERLY REPORT**

Notes - Continued

16. **Segment Reporting**

	<b>Turnover</b>		<b>Profit Before Taxation</b>	
	<b>Current</b>	<b>Preceding</b>	<b>Current</b>	<b>Preceding</b>
	<b>Year to</b>	<b>Year</b>	<b>Year to</b>	<b>Year</b>
	<b>Date</b>	<b>Corresponding</b>	<b>Date</b>	<b>Corresponding</b>
	<b>31/3/2001</b>	<b>Period</b>	<b>31/3/2001</b>	<b>Period</b>
	<b>RM'000</b>	<b>31/3/2000</b>	<b>RM'000</b>	<b>31/3/2000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Construction	261,840	425,292	1,989	12,340
Information technology and e-commerce related business	1,743	-	1,724	-
Manufacturing & trading	314,260	210,272	53,050	8,162
Property development, management services, hotel operations & others	202,323	135,357	65,111	44,963
Power generation	920,947	869,299	391,625	353,349
Exceptional gain - Profit from part disposal of shares in a subsidiary	-	-	-	187,117
	----- 1,701,113 =====	----- 1,640,220 =====	----- 513,499 =====	----- 605,931 =====
 Profit from associated companies				
Construction			2	36
Manufacturing & trading			9,958	2,154
Property development, management services, hotel operations & others			5,309	4,729
			----- 528,768 =====	----- 612,850 =====

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**QUARTERLY REPORT**

Notes - Continued

16. **Segment Reporting** - Continued

	<b>Assets Employed</b>	
	<b>Current Year to Date 31/3/2001 RM'000</b>	<b>Preceding Year Corresponding Period 31/3/2000 RM'000</b>
Construction	662,646	1,305,132
Information technology and e-commerce related business	105,376	-
Manufacturing & trading	507,246	520,188
Property development, management services, hotel operations & others	5,328,399	4,848,184
Power generation	3,511,374	3,546,008
	----- 10,115,041	----- 10,219,512
	=====	=====

17. **Comparison with Preceding Quarter**

	<b>Current Year</b>	
	<b>Current Quarter 31.3.2001 RM'000</b>	<b>Preceding Quarter 30.12.2000 RM'000</b>
Turnover	570,121	551,946
Consolidated profit before taxation	160,710	180,231
Consolidated profit after taxation after minority interests	65,098	81,673

Turnover for the current quarter increased by RM18.2 million or 3.3% as compared to preceding quarter mainly due to a increase in turnover of the power generation division.

The consolidated profit before taxation decreased by RM19.5 million in current quarter as compared to preceding quarter. The consolidated profit after taxation after minority interests decreased from RM81.7 million to RM65.1 million, this represents a decrease of approximately 20.3% as compared to preceding quarter.

## **QUARTERLY REPORT**

### **Notes - Continued**

#### **18. Review of the results**

The Group turnover increased from RM1,640.2 million in the nine months period ended 31 March 2000 to RM1,701.1 million in the nine months period ended 31 March 2001. This represents an increase of RM60.9 million or 3.7% over the corresponding nine months period. The improvement in turnover is substantially contributed by subsidiary companies engaged in the ready-mixed concrete and slag cement business and power generation division.

The Group profit before taxation has decreased by RM84.1 million or 13.7% over the corresponding nine months period. In the corresponding nine months period, the Group disposed of 5% interest in YTL Power International Berhad and realised an exceptional gain of RM187.1 million. Without considering the gain on the said disposal, the Group profit before taxation increased by RM103.0 million from RM425.7 million to RM528.7 million or 24.2% over the corresponding nine months period. This is principally due to improved earnings from the ready-mixed concrete and slag cement business and power generation division.

#### **19. Prospects**

Barring unforeseen circumstances, the Group expects to achieve a satisfactory level of operating performance for the financial year ending 30 June, 2001.

#### **20. Profit Forecast/Profit Guarantee**

The Group did not issue any profit forecast during the current financial year to date.

#### **21. Dividend**

No interim dividend has been declared for the third financial quarter ended 31 March, 2001.

#### **22. Comparative Figures**

##### **(a) Prior year adjustment**

During the quarter ended 31 March 2001, the YTL Power Group changed its accounting policy with respect to the basis of provision for deferred taxation. In previous financial years, provisions were made in respect of all timing differences except where it was considered reasonably probable that the tax effects of such deferrals will continue in the foreseeable future. The YTL Power Group, has changed this accounting policy to that of full provisioning. It is now the policy of the YTL Power Group to make full provisions in respect of all timing differences. This change in accounting policy has been accounted for retrospectively.

Accordingly, the Group's retained profits carried forward as at 30 June 2000 have been reduced by RM173.4 million.

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Notes - Continued

22. **Comparative Figures – Continued**

- (b) Other income reported in the Consolidated Income Statement of the previous quarters has been restated to correct the classification of items presented in those periods. The following are the amount after the restatement :-

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	THIRD QUARTER 31/3/2000 RM'000	SECOND QUARTER 31/12/1999 RM'000	THIRD QUARTER 31/3/2000 RM'000	SECOND QUARTER 31/12/1999 RM'000
Other income including interest income				
As reported	2,383 =====	191,735 =====	238,885 =====	236,502 =====
As restated	21,477 =====	230,513 =====	296,757 =====	275,280 =====

23. **8.5% Redeemable Non-Guaranteed Unsecured Bonds (“Bonds”)**

A sum of RM132.4 million out of the proceeds received by the Company from the issue of the RM500 million Bonds on 29 June 1999 is currently placed under Fixed Deposits with licensed financial institutions pending equity investments in Express Rail Link Sdn Bhd, a 40% associate company and financing of development projects priced below RM250,000.00 per unit.

By Order of the Board  
HO SAY KENG  
Secretary

Kuala Lumpur  
Dated : 25 May 2001