

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

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 30 June, 2001.

The figures have not been audited.

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR CORRESPONDING QUARTER 30.6.2001 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.6.2000 RM'000	CURRENT YEAR TO CORRESPONDING DATE 30.6.2001 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.6.2000 RM'000
1. (a) Revenue	620,370	469,478	2,321,483	2,109,698
(b) Investment income	164	(187)	1,173	1,078
(c) Other income	38,280	50,779	147,973	347,536
2. (a) Profit before finance costs, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	271,578	243,090	1,025,607	913,809
(b) Finance costs	(38,204)	(80,812)	(162,963)	(216,371)
(c) Depreciation and amortisation	(39,469)	(39,493)	(155,240)	(155,839)
(d) Exceptional items	-	(582)	-	186,535
(e) Profit before income tax, minority interests and extraordinary items	193,905	122,203	707,404	728,134
(f) Share of profits of associated companies	3,649	161	18,918	7,080

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CONSOLIDATED INCOME STATEMENT - (Continued)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR TO	YEAR
	QUARTER	CORRESPONDING	DATE	CORRESPONDING
	30.6.2001	30.6.2000	30.6.2001	30.6.2000
	RM'000	RM'000	RM'000	RM'000
(g) Profit before income tax, minority interests and extraordinary items after share of profits of associated companies	197,554	122,364	726,322	735,214
(h) Income tax	(53,479)	(47,979)	(203,638)	(184,074)
(i) (i) Profit after income tax before deducting minority interests	144,075	74,385	522,684	551,140
(ii) Minority interests	(56,355)	(42,422)	(210,836)	(168,624)
(j) Pre-acquisition profit/(loss), if applicable	-	-	-	-
(k) Net profit from ordinary activities attributable to members of the company	87,720	31,963	311,848	382,516
(l) (i) Extraordinary items	-	-	-	-
(ii) Minority interests	-	-	-	-
(iii) Extraordinary items attributable to members of the company	-	-	-	-
(m) Net profit attributable to members of the company	87,720	31,963	311,848	382,516

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CONSOLIDATED INCOME STATEMENT - (Continued)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR	YEAR
	TO	TO	TO	TO
	CORRESPONDING	CORRESPONDING	CORRESPONDING	CORRESPONDING
	QUARTER	QUARTER	DATE	PERIOD
	30.6.2001	30.6.2000	30.6.2001	30.6.2000
	RM'000	RM'000	RM'000	RM'000
(n) Retained profits brought forward				
As previously reported	2,817,041	2,787,017	2,766,362	2,434,024
Prior year adjustment	-	(173,400)	(173,400)	(169,188)
As restated	2,817,041	2,613,617	2,592,962	2,264,836
(o) Capitalised on redemption of preference shares by one of the subsidiaries	-	-	-	(1,772)
(p) Transfer from/(to) capital reserves	-	211	(49)	211
(q) Proposed dividends	-	(52,829)	-	(52,829)
(r) Retained profits carried forward	2,904,761	2,592,962	2,904,761	2,592,962
3. Earnings per share based on 2(m) above after deducting any provision for preference dividends, if any :-				
(i) Basic - sen	6.17	2.18	21.62	26.19
based on number of ordinary shares	1,421,034,647	1,466,987,542	1,442,087,229	1,460,407,967
(ii) Fully diluted - sen	6.08	1.99	21.13	23.62
based on number of ordinary shares	1,442,883,643	1,604,141,490	1,476,052,271	1,619,192,141

YTL CORPORATION BERHAD (Company No: 92647-H)
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CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2001

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2000	
	30.6.2001 RM'000	As restated RM'000	As reported RM'000
PROPERTY, PLANT & EQUIPMENT	3,252,515	3,270,028	3,270,028
INVESTMENT PROPERTIES	424,036	369,552	369,552
INVESTMENT IN SUBSIDIARIES	196,870	196,870	196,870
SUBSIDIARIES NOT CONSOLIDATED	-	5,238	5,238
INVESTMENT IN ASSOCIATED COMPANIES	287,220	164,237	164,237
QUOTED INVESTMENTS	18,868	37,258	37,258
UNQUOTED INVESTMENTS	140,226	1,250	1,250
LAND & DEVELOPMENT EXPENDITURE	155,134	77,061	77,061
CAPITAL WORK-IN-PROGRESS	4,980	4,980	4,980
INTANGIBLE ASSETS	1,402	214	214

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CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2001- (Continued)

	AS AT END OF CURRENT QUARTER 30.6.2001 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2000	
		As restated RM'000	As reported RM'000
CURRENT ASSETS			
Inventories	114,527	104,844	104,844
Property development projects	177,121	39,112	39,112
Trade debtors	1,196,748	1,143,404	1,143,404
Amount due from customers for contract works	166,891	199,503	199,503
Other debtors, deposits & prepayments	529,122	465,200	465,200
Inter-company balances	47,679	148,587	148,587
Short term investments	10,000	64,575	64,575
Fixed deposits	3,556,713	3,679,952	3,679,952
Cash & bank balances	22,299	16,877	16,877
	----- 5,821,100 -----	----- 5,862,054 -----	----- 5,862,054 -----
LESS : CURRENT LIABILITIES			
Trade creditors	170,545	149,700	149,700
Amount due to customers for contract works	16,529	19,897	19,897
Other creditors & accruals	412,416	232,043	232,043
Inter-company balances	32,510	16,166	16,166
Borrowings	688,052	458,835	458,835
Provision for taxation	89,652	91,962	91,962
Dividends	1,407	52,952	52,952
	----- 1,411,111 -----	----- 1,021,555 -----	----- 1,021,555 -----
NET CURRENT ASSETS	----- 4,409,989 -----	----- 4,840,499 -----	----- 4,840,499 -----
GOODWILL ON CONSOLIDATION	----- 238,977 -----	----- 118,694 -----	----- 118,694 -----
	----- 9,130,217 =====	----- 9,085,881 =====	----- 9,085,881 =====

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CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2001- (Continued)

	AS AT END OF CURRENT QUARTER 30.6.2001 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2000	
		As restated RM'000	As reported RM'000
FINANCED BY :-			
SHARE CAPITAL	736,529	733,734	733,734
RESERVES			
Share premium	681,916	668,926	668,926
Capital reserve	23,494	23,445	23,445
Retained profits	2,904,761	2,592,962	2,766,362
Others	22,800	18,164	18,164
Less : Treasury shares, at cost	(249,980)	-	-
SHAREHOLDERS' FUNDS	4,119,520	4,037,231	4,210,631
MINORITY INTERESTS	1,792,681	1,767,057	1,889,657
LONG TERM BORROWINGS	2,715,850	2,836,844	2,836,844
OTHER LONG TERM LIABILITIES	502,166	444,749	148,749
	9,130,217	9,085,881	9,085,881
Net tangible assets per share (RM)	2.73	2.67	2.79

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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 previous 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	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR TO	YEAR
	CORRESPONDING	CORRESPONDING	DATE	PERIOD
	QUARTER	QUARTER	30.6.2001	30.6.2000
	30.6.2001	30.6.2000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000
Within Malaysia				
Current provision	35,857	30,035	147,613	129,906
(Over)/Under-provision	(2,281)	6,012	(3,279)	6,251
Associated companies	874	391	1,721	721
Deferred taxation	18,990	11,534	57,544	47,189
	-----	-----	-----	-----
	53,440	47,972	203,599	184,067
Outside Malaysia				
Current provision	-	7	-	7
Associated companies	39	-	39	-
	-----	-----	-----	-----
	53,479	47,979	203,638	184,074
	=====	=====	=====	=====

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Notes - Continued

The provision for taxation for current quarter reflects an effective tax rate lower than the Statutory Income Tax Rate due mainly to certain income and expenses which are treated differently for tax purposes.

5. Pre-acquisition Profits

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

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 RM11.318 million.

7. Quoted Investments

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

	Acquired RM'000	Disposed RM'000
Quoted subsidiary's shares, at cost	100,007	-
Other quoted shares, at cost	2,712	21,102
	=====	=====

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

	Acquired RM'000
YTL Power International Berhad, at cost	149,234
YTL Cement Berhad, at cost	15,460
	=====

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Notes - Continued

- (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 are:-

	RM'000
Cost	18,868
Carrying value	18,868
Market value	13,676
	=====

8. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial year ended 30 June 2001 save for the following:-

- a) Completion, in April 2001, of the acquisition of 90.09% equity interest in C.I. Readymix Sdn Bhd, comprising 6,306,306 ordinary shares of RM1.00 each by quoted subsidiary, YTL Cement Berhad; and
- b) Completion, in April 2001, of the subscription of 100 million new ordinary shares of RM1.00 each in Taiping Consolidated Berhad in conjunction with Taiping Consolidated Berhad's proposed composite scheme of arrangement and corporate restructuring exercise.

9. Corporate Developments

Corporate proposals announced but pending completion is as follows:-

- a) 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 was approved by the Securities Commission on 28 June, 2001 and is now pending the approval of the shareholders at an Extraordinary General Meeting to be convened;
- b) Proposed listing of YTL e-Solutions Berhad, a wholly-owned subsidiary on the Malaysian Exchange Of Securities Dealings and Automated Quotation Berhad ("MESDAQ") announced by the Company on 1 August 2001 ("Proposed Listing").

The Proposed Listing which entails a Proposed Restricted Issue of 34,000,000 new ordinary shares of RM1.00 each to entitled shareholders of the Company and a Proposed Public Issue of 1,000,000 new ordinary shares of RM1.00 each to eligible employees and Directors of YTL e-Solutions Berhad at an indicative issue price of RM1.10 per share was approved by the Securities Commission and MESDAQ on 24 July 2001 and 27 July 2001 respectively.

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Notes - Continued

9. Corporate Developments - Continued

Approvals from the Foreign Investment Committee and the Ministry of International Trade and Industry were obtained on 15 May 2001 and 14 June 2001 respectively. The Proposed Listing is now pending approval of shareholders of the Company at an Extraordinary General Meeting to be convened.

10. Seasonality or Cyclicalities of Operations

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

11. Changes in Share Capital

During the current financial year, 3,250,000 and 2,341,288 ordinary shares of RM0.50 each were issued pursuant to the exercise of Employees Share Options and warrants respectively. There was no share buy-back transaction during the quarter.

As at 29 August 2001, the Company purchased 52,024,000 ordinary shares from the open market at an average price of RM4.81 per share. 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 :-

	Short term RM'000	Long term RM'000	Total RM'000
Secured	211,802	865,850	1,077,652
Unsecured	476,250	1,850,000	2,326,250
	-----	-----	-----
	688,052	2,715,850	3,403,902
	=====	=====	=====

The borrowings denominated in foreign currencies are as follows :-

In US Dollar ('000)	25
In Hong Kong Dollar ('000)	14,334
	=====

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Notes - Continued

13. Contingent Liabilities - Unsecured

Save as disclosed below, there has been no material change in the contingent liabilities since the last annual balance sheet:

- (a) The Company has given corporate guarantees amounting to RM656.1 million to financial institutions for facilities granted by the financial institutions to its subsidiaries as follows :-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Block discounting/hire purchase facility	23,400	-
Bank overdrafts	39,600	16,468
Letters of credit/trust receipts/bankers acceptances/shipping guarantees	257,800	69,572
Revolving loans/advances	126,500	90,000
Suppliers credit facility	2,500	353
Bankers' guarantees :- Advance payment bonds/performance bonds, pre-bid bonds and other related guarantees	206,324	107,299
	----- 656,124	----- 283,692
	=====	=====

- (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 by the end of calendar year 2001.
- (c) Taiping Consolidated Berhad, a quoted subsidiary has contingent liabilities which are not readily ascertainable in respect of claims for delays which may arise in the event that the property development project is not revived on schedule

14. Off Balance Sheet Financial Instruments

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

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Notes - Continued

15. Pending Material Litigation

There was no material litigation pending as at the date of this report except as follows:

Pending the successful revival of the Sentul Raya Development Project undertaken by a subsidiary of TCB, there are claims made by third parties against TCB Group but the Directors of TCB are of the opinion that the claims will not materially affect the future position or business of the TCB Group.

16. Segment Reporting

	Revenue		Profit Before Taxation	
	Current Year to Date 30.6.2001 RM'000	Preceding Year Corresponding Period 30.6.2000 RM'000	Current Year to Date 30.6.2001 RM'000	Preceding Year Corresponding Period 30.6.2000 RM'000
Construction	372,552	454,188	10,318	23,705
Information technology and e-commerce related business	1,989	-	2,237	-
Manufacturing & trading	445,693	304,173	59,808	22,175
Property development, management services, hotel operations & others	273,586	203,920	110,299	26,278
Power generation	1,227,663	1,147,417	524,742	469,441
Exceptional gain				
- Profit from part disposal of shares in a subsidiary	-	-	-	186,535
	----- 2,321,483 =====	----- 2,109,698 =====	----- 707,404	----- 728,134

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Notes - Continued

16. **Segment Reporting - Continued**

	Revenue		Profit Before Taxation	
	Current	Preceding	Current	Preceding
	Year to	Year	Year to	Year
	Date	Corresponding	Date	Corresponding
	30.6.2001	30.6.2000	30.6.2001	30.6.2000
	RM'000	RM'000	RM'000	RM'000
Profit from associated companies				
Construction			4	38
Manufacturing & trading			13,041	4,278
Property development, management services, hotel operations & others			5,873	2,764
			-----	-----
			726,322	735,214
			=====	=====
			Assets Employed	
			Current	Preceding
			Year to	Year
			Date	Corresponding
			30.6.2001	30.6.2000
			RM'000	RM'000
Construction			681,869	730,096
Information technology and e-commerce related business			103,348	-
Manufacturing & trading			547,823	482,882
Property development, management services, hotel operations & others			5,920,110	5,495,618
Power generation			3,288,178	3,398,840
			-----	-----
			10,541,328	10,107,436
			=====	=====

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Notes - Continued

17. **Comparison with Preceding Quarter**

	Current Year	
	Current Quarter 30.6.2001 RM'000	Preceding Quarter 31.3.2001 RM'000
Revenue	620,370	570,121
Consolidated profit before taxation	197,554	160,710
Consolidated profit after taxation after minority interests	87,720	65,098
	=====	=====

Revenue for the current quarter increased by RM50.2 million or 8.8% as compared to the preceding quarter. This was mainly due to improved revenue in construction and manufacturing & trading division. The consolidated profit before taxation increased by RM36.8 million or 22.9% as compared to the preceding quarter and the consolidated profit after taxation after minority interests increased from RM65.1 million to RM87.7 million, this represents an increase of 34.8% as compared to the preceding quarter.

18. **Review of the results**

The Group's revenue increased from RM2,109.7 million for the year ended 30 June, 2000 to RM2,321.5 million for the year ended 30 June, 2001. This represents an increase of RM211.8 million or 10.0%. The improvement in revenue is substantially contributed by the subsidiary companies engaged in the ready-mixed concrete & slag cement business and power generation division.

During the financial year ended 30 June, 2000, the Group disposed of 5% interest in YTL Power International Berhad and realised an exceptional gain of RM186.5 million. Accordingly, the Group's consolidated profit before taxation without considering the aforesaid exceptional item for the year ended 30 June 2000 was RM548.7 million. The consolidated profit before taxation for the financial year ended 30 June 2001 at RM726.3 million increased by 32.4% compared to the corresponding financial year ended 30 June 2000. This is principally due to improved earnings from the ready-mixed concrete & slag cement business, property development division and power generation division.

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Notes - Continued

18. Review of the results – Continued

Comparing with preceding year corresponding quarter ended 30 June, 2000, the Group's current quarter revenue and consolidated profit before taxation have improved from RM469.5 million to RM620.4 million and RM122.4 million to RM197.6 million respectively. This represents an improvement of 32.1% in revenue and 61.4% in consolidated profit before tax. The improvements were mainly due to favourable results achieved in manufacturing and trading division, property development division 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, 2002.

20. Profit Forecast/Profit Guarantee

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

21. Proposed Dividend

a) Cash Dividend

The Board of Directors is pleased to recommend for the approval of shareholders a First and Final Dividend of 10% less 28% tax for the year ended 30 June 2001. The Book Closure and Payment Dates in respect of the aforesaid dividend will be determined by the Directors at a later date.

The First and Final Dividend for the year ended 30 June 2000 was 10% less 28% tax.

b) Share Dividend

The Board of Directors has declared a share dividend of one (1) Treasury Share for every fifty (50) ordinary shares of RM0.50 each held at a date to be determined by the Directors. The Treasury Shares when distributed will not be entitled to the above First and Final Dividend of 10% less 28% tax recommended for the financial year ended 30 June 2001.

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22. Comparative Figures

Prior year adjustment

YTL Power Group had 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.

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 : 30 August 2001