

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the third quarter ended 31 March, 2003.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER PRECEDING YEAR		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.3.2003	CORRESPONDING QUARTER 31.3.2002 (restated)	9 MONTHS ENDED	
	RM'000	RM'000	31.3.2003 RM'000	31.3.2002 (restated) RM'000
REVENUE	963,953	612,678	2,949,660	1,880,265
OPERATING EXPENSES	(636,614)	(423,334)	(1,891,156)	(1,318,870)
OTHER OPERATING INCOME	35,332	30,072	77,549	103,930
PROFIT FROM OPERATIONS	362,671	219,416	1,136,053	665,325
FINANCE COSTS	(155,461)	(40,801)	(459,779)	(121,460)
GAIN ON DISPOSAL OF				
- SUBSIDIARIES	22,929	-	22,929	-
- ASSOCIATED COMPANY	21,125	-	21,125	-
SHARE OF (LOSSES)/PROFITS OF ASSOCIATED COMPANIES	(2,159)	6,788	1,465	17,168
PROFIT BEFORE TAXATION	249,105	185,403	721,793	561,033
TAXATION	(43,652)	(52,752)	(163,444)	(157,708)
PROFIT AFTER TAXATION	205,453	132,651	558,349	403,325
MINORITY INTERESTS	(58,683)	(48,509)	(191,153)	(150,201)
NET PROFIT FOR THE PERIOD	146,770	84,142	367,196	253,124
EARNINGS PER SHARE				
Basic (Sen)	10.12	5.84	25.31	17.73
Diluted (Sen)	10.00	5.66	24.96	17.37

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2002

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CONDENSED CONSOLIDATED BALANCE SHEETS

	UNAUDITED AS AT 31.3.2003 RM'000	AUDITED AS AT 30.6.2002 (restated) RM'000	AUDITED AS AT 30.6.2002 (reported) RM'000
PROPERTY, PLANT & EQUIPMENT	12,651,467	11,818,655	11,814,860
INVESTMENT PROPERTIES	514,108	430,962	430,962
INVESTMENT IN SUBSIDIARIES	196,870	196,870	196,870
INVESTMENT IN ASSOCIATED COMPANIES	300,166	308,189	307,207
QUOTED INVESTMENTS	20,316	20,322	20,322
UNQUOTED INVESTMENTS	144,026	142,126	142,126
DEVELOPMENT EXPENDITURE	496,284	256,030	256,030
CAPITAL WORK-IN-PROGRESS	4,960	4,960	4,960
GOODWILL ON CONSOLIDATION	276,607	260,660	260,660
CURRENT ASSETS			
Inventories	124,440	128,284	128,284
Property development projects	250,975	170,854	170,854
Trade & other receivables	2,097,583	2,178,062	2,178,062
Inter-company balances	30,531	43,630	43,630
Short term investments	119,764	29,196	29,196
Fixed deposits	5,518,721	4,461,372	4,461,372
Cash & bank balances	43,183	89,365	89,365
	8,185,197	7,100,763	7,100,763

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2002

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CONDENSED CONSOLIDATED BALANCE SHEETS - Continued

	UNAUDITED	AUDITED	AUDITED
	AS AT	AS AT	AS AT
	31.3.2003	30.6.2002	30.6.2002
		(restated)	(reported)
	RM'000	RM'000	RM'000
LESS : CURRENT LIABILITIES			
Trade & other payables	1,000,278	939,464	939,464
Inter-company balances	25,087	22,905	22,905
Short term borrowings	2,027,294	2,881,081	2,881,081
Provision for taxation	104,351	79,634	79,634
Dividends payable	-	26	26
Provision for liabilities & charges	59,271	38,863	38,863
	-----	-----	-----
	3,216,281	3,961,973	3,961,973
	-----	-----	-----
NET CURRENT ASSETS	4,968,916	3,138,790	3,138,790
	-----	-----	-----
	19,573,720	16,577,564	16,572,787
	=====	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2002

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CONDENSED CONSOLIDATED BALANCE SHEETS - Continued

	UNAUDITED AS AT 31.3.2003 RM'000	AUDITED AS AT 30.6.2002 (restated) RM'000	AUDITED AS AT 30.6.2002 (reported) RM'000
FINANCED BY :-			
SHARE CAPITAL	737,293	737,293	737,293
RESERVES			
Share premium	549,073	549,073	549,073
Capital reserve	60,959	24,577	24,577
Reserve on consolidation	129,788	129,442	129,442
Exchange differences reserve	58,275	29,836	29,836
Retained profits	3,584,148	3,255,193	3,252,276
Less : Treasury shares, at cost	(116,013)	(113,395)	(113,395)
	-----	-----	-----
SHAREHOLDERS' FUNDS	5,003,523	4,612,019	4,609,102
MINORITY INTERESTS	2,160,418	2,034,893	2,033,033
LONG TERM BORROWINGS	10,650,523	8,332,838	8,332,838
OTHER LONG TERM LIABILITIES	90,160	89,916	89,916
PROVISION FOR LIABILITIES	33,543	32,380	32,380
DEFERRED INCOME	132,636	131,832	131,832
DEFERRED TAXATION	1,502,917	1,343,686	1,343,686
	-----	-----	-----
	19,573,720	16,577,564	16,572,787
	=====	=====	=====
Net Tangible Assets Per 50 sen share (Sen)	325.8	299.8	299.6
	=====	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2002

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 MARCH 2003

Group	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Reserve on consolidation RM'000	Translation reserve RM'000	Retained profits RM'000	Treasury shares RM'000	Total RM'000
Balance at 1.7.2002								
- as previously reported	737,293	549,073	24,577	129,442	29,836	3,252,276	(113,395)	4,609,102
- prior year adjustment	-	-	-	-	-	2,917	-	2,917
- as restated	737,293	549,073	24,577	129,442	29,836	3,255,193	(113,395)	4,612,019
<i>Currency translation differences</i>	-	-	-	-	28,439	-	-	28,439
Net gains not recognised in the income statement	-	-	-	-	28,439	-	-	28,439
Net profit for the period	-	-	-	-	-	367,196	-	367,196
Decrease in capital reserve	-	-	(1,500)	-	-	-	-	(1,500)
Increase in reserve on Consolidation	-	-	-	346	-	-	-	346
Accretion arising from additional shares issued	-	-	-	-	-	41,305	-	41,305
Transfer to capital reserve	-	-	37,882	-	-	(1,210)	-	36,672
Dividend paid	-	-	-	-	-	(78,336)	-	(78,336)
Treasury shares	-	-	-	-	-	-	(2,618)	(2,618)
Balance at 31.3.2003	737,293	549,073	60,959	129,788	58,275	3,584,148	(116,013)	5,003,523

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2002

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE THIRD QUARTER ENDED 31 MARCH 2003**

	RM'000
Net cash from operating activities	1,151,337

Net cash used in investing activities	(916,391)

Net cash from financing activities	773,013

Net changes in cash and cash equivalents	1,007,959
Cash and cash equivalents brought forward	4,496,126

Cash and cash equivalents carried forward	<u>5,504,085</u>

Cash and cash equivalents comprise :

	RM'000
Fixed deposits	5,518,721
Cash & bank balances	43,183
Bank overdrafts	(57,819)

	5,504,085
Less : Fixed deposit under lien	(64,145)

	5,439,940

Housing development account	(344)

	<u>5,439,596</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2002

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Notes :

Disclosure requirements per MASB 26 - paragraph 16

A1. Accounting Policies and methods of computation

The interim financial report is unaudited and has been prepared in accordance with MASB 26 “Interim Financial Reporting” and Chapter 9, part K of the Listing Requirements of the Kuala Lumpur Stock Exchange.

The Condensed Financial Statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 30 June, 2002.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest audited annual financial statements except for the change in its accounting policy for the depreciation of hotel buildings. In prior years, the Group had depreciated the hotel buildings at an annual rate of 2%. It is now the Group’s policy not to depreciate these buildings. The change in accounting policy has been accounted for retrospectively. The effect of the change is disclosed in the condensed statement of changes in equity and also an increase of RM 0.258 million and RM 0.75 million in the Group’s profit for the third quarter and the nine months period ended 31 March, 2002, respectively.

The following notes explain the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June, 2002.

A2. Audit Report of the preceding financial year ended 30 June 2002

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

A3. Seasonality or Cyclicity of Operations

The business operations of the Group are not materially affected by any seasonal or cyclical factors. However, the hotel division of the Group which current contribution to the Group’s profits is immaterial is expected to be impacted by the current outbreak of Severe Acute Respiratory Syndrome (SARS) affecting the Asian region.

A4. Changes in estimates of amounts reported

There was no change to estimates of amounts reported in prior interim periods and prior financial years.

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A5. Changes in Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following :-

- i) Repayment of debt securities of RM Nil and RM362.56 million for the current financial quarter and for the 9 months period ended 31 March, 2003, respectively.
- ii) Repurchased a total of 463,000 ordinary shares of its issued share capital from the open market for a total consideration of RM1.596 million at an average cost of RM3.45 per share during the current financial quarter. During the quarter ended 31 March 2003, a total of 774,000 shares were repurchased from the open market for a total consideration of RM2.618 million. The repurchased transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.
- iii) On 16 October, 2002, 33,742,000 new ordinary shares were granted at an option price of RM2.79 in pursuant to the new Employees Share Option Scheme (“ESOS”) for employees and Executive Directors of the Company and its subsidiaries who meet the criteria of eligibility for participation in the ESOS.

The outstanding debts are as disclosed in note B9 and the ordinary share capital as at 31 March, 2003 is RM737.3 million.

A6. Dividend paid

At the Annual General Meeting held on 18 December, 2002, the shareholders of the Company had approved a final dividend of 15% less tax in respect of the financial year ended 30 June, 2002. The dividend was paid on 17 January, 2003.

The Board does not recommend any interim dividend for the current financial quarter.

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A7. Segment Reporting

Inter-segment pricing is determined based on a negotiated basis.

	Construction RM'000	Information technology & e-commerce related business RM'000	Manufacturing & trading RM'000	Property investment & development RM'000	Management services & others RM'000	Power generation & transmission RM'000	Hotels RM'000	Water & sewerage RM'000	Total RM'000
Revenue	110,848	15,609	344,084	73,773	88,443	946,130	84,668	1,286,105	2,949,660
Results									
Profit from operations	12,452	9,703	75,892	44,485	73,299	435,506	4,187	480,529	1,136,053
Finance costs									(459,779)
Gain on disposal of - subsidiaries									22,929
- associated company									21,125
Share of profits of associated companies									1,465
Profit before taxation									721,793
Taxation									(163,444)
Profit after taxation									558,349
Minority interests									(191,153)
Net profit for the period									367,196

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Notes : - continued

A8. Valuation of Property, Plant and Equipment

The valuation of property, plant & equipment have been brought forward without any amendments from the previous annual audited financial statements except for the depreciation of hotel buildings which the Group had changed its accounting policy not to provide depreciation for these properties. The directors are of the opinion that it is more appropriate not to depreciate the hotel properties since it is the Group's practice to maintain these properties to a high standard and condition in order to maintain the residual values at least equal to their respective carrying amounts such that depreciation would be insignificant. The related maintenance expenditure is charged to the income statement.

The effect of the change in accounting policy has been accounted for retrospectively and the property, plant & equipment have increased by RM3.794 million for the financial year ended 30 June, 2002.

A9. Material Events Subsequent to the end of the interim period

There were no material events subsequent to the end of the current financial quarter.

A10. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial quarter, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations except for the following :-

- (i) On 3 September, 2002, YTL Land & Development Berhad. ("YTL L&D"), a subsidiary of the Company subscribed for 999,998 ordinary shares of RM1 each representing 99.99% equity interest in Amanresorts Sdn. Bhd. for a cash consideration of RM999,998;
- (ii) YTL E-Solutions Berhad, a subsidiary of the Company acquired 100% equity interest in YTL Info Screen Sdn. Bhd. and Intellectual Learning Sdn. Bhd. on 17 September, 2002 and 21 March, 2003 respectively;
- (iii) Acquisition of equity interests by YTL L&D, a subsidiary of the Company pursuant to the Proposed Acquisitions by YTL L&D as disclosed under Note B8.

The disposal by the Company of the following equity interests under the Proposed Acquisitions by YTL L&D resulted in a gain on disposal of subsidiaries and associated company of RM22.9 million and RM21.1 million respectively:

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- a. Syarikat Pembinaan Yeoh Tiong Lay Sdn. Bhd., a subsidiary of the Company sold its entire investment in a subsidiary company, Syarikat Kemajuan Perumahan Negara Sdn. Bhd. and associated company Pakatan Perakbina Sdn. Bhd. to YTL L&D. These transactions give rise to a profit of RM7.3 million and RM21.1 million respectively.
- b. The Company sold its entire investment in a subsidiary company, Bayumaju Development Sdn. Bhd. to YTL L&D. This transaction gives rise to a profit of RM15.6 million;
- (iv) YTL Cement Berhad, a subsidiary of the Company, repurchased a total of 245,000 ordinary shares of its issued share capital from the open market for a total consideration of RM712,725 at an average cost of RM2.91 per share during the current quarter. The repurchase of shares were financed by internally generated funds;
- (v) On 31 March, 2003, YTL Industries Berhad, a subsidiary of the Company, acquired 70% equity interest in Gemilang Pintar Sdn. Bhd. for a cash consideration of RM70,000 and;
- (vi) YTL Power International Berhad, a subsidiary of the Company, repurchased a total of 284,000 ordinary shares of its issued share capital from the open market value for a total consideration of RM812,400 at an average cost of RM2.86 per share during the current quarter. The repurchase of shares were financed by internally generated funds.

A11. Changes in Contingent Liabilities or Contingent Assets

Since the last annual balance sheet as at 30 June, 2002, there were no changes in the contingent liabilities of the Group except for the reduction of letter of credit amounting to RM15 million, revolving loan of RM10 million and bank guarantees of RM49.9 million and the addition of leasing facility amounting to RM5 million; bank overdrafts of RM4 million and commercial papers/ medium term notes of RM500 million.

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As at 31 March, 2003, the Company has given corporate guarantees amounting to RM889.4 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	28,900	4,630
Bank overdrafts	37,900	12,344
Letters of credit/trust receipts/bankers acceptances/shipping guarantees	149,800	33,603
Revolving loans/advances	95,000	75,000
Suppliers credit facility	500	315
Bankers' guarantees :-		
Advance payment bonds/performance bonds, pre-bid bonds and other related guarantees	77,300	59,814
Commercial papers/medium term notes	500,000	430,000
	-----	-----
	889,400	615,706
	=====	=====

The Company has also entered into an option agreement with Dato' Hj. Mohd. Zainal Abidin Hj. Abdul Kadir ("Dato' Zainal") on 2 October 2001 wherein Dato' Zainal, in consideration of RM10 paid by the Company, agrees to grant the Company a call option to purchase 7,100,000 ordinary shares and 61,092,272 irredeemable convertible preference shares in YTL Land & Development Berhad received by Dato' Zainal pursuant to the acquisition by YTL Land & Development Berhad of 60% equity interest in Pakatan Perakbina Sdn. Bhd. from Dato' Zainal at an option price of RM1.00 per share.

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Disclosure requirements per KLSE listing requirements Part A of Appendix 9B

B1. Review of Performance

The Group's recorded a revenue and profit before taxation for the current financial quarter of RM964 million and RM249 million respectively, representing an increase of 57% and 35% respectively when compared to the previous corresponding quarter ended 31 March, 2002.

The Group's revenue and profit before taxation for the 9 months period ended 31 March, 2003 were RM2,950 million and RM722 million respectively, representing an increase of 57% and 29% when compared to the previous corresponding period ended 31 March, 2002.

The increase in the Group's revenue and profit before taxation for both the current and cumulative financial quarters were substantially attributable to the consolidation of the quarter financial results of the Wessex Water Group.

B2. Comparison with Preceding Quarter

For the current financial quarter, the Group registered a profit before tax of RM249 million as compared with a profit before tax of RM239 million for the preceding financial quarter. The increase of 4% in the Group's profit before taxation in the current financial quarter was mainly due to the consolidation of the quarter financial results of the Wessex Water Group.

B3. Prospects

The Group, after considering the Group's current level of operations and the current market condition, is expected to achieve satisfactory performance for the financial year ending 30 June 2003.

B4. Profit Forecast

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

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B5. Taxation

Taxation comprises the following :-

	Current Year Quarter 31.3.2003 RM'000	Current Year To Date 31.3.2003 RM'000
Taxation based on profit for the period	44,151	162,428
Over-provision of tax	(2,627)	(5,308)
Deferred taxation	1,952	5,888
Share of tax in associated companies	176	436
	----- 43,652 =====	----- 163,444 =====

The provision for taxation of the Group for the current financial quarter and current year to date reflects an effective tax rate lower than the statutory tax rate due mainly to the availability of reinvestment allowances in certain subsidiaries and income of certain foreign subsidiaries which is tax exempt.

B6. Sale of Unquoted Investments and/or Properties

During the current financial quarter and the 9 months period ended 31 March, 2003, the profit on sale of unquoted investments amounted to RM1.690 million and RM2.745 million respectively.

B7. Quoted Securities

(a) Details of the purchase and sale of quoted securities are as follows :-

	Current Year Quarter 31.3.2003 RM'000	Current Year To Date 31.3.2003 RM'000
Purchase	2,725	3,393
Sales	-	380
	----- -----	----- -----

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(b) Particulars of investment in quoted securities as at 31 March, 2003 :-

	RM'000
- At cost	32,645
- At carrying value	32,645
- At market value	29,551
	=====

B8. Corporate Developments

The subsidiary company, YTL Land & Development Berhad, in the current financial quarter, completed the following proposals previously announced on 2 October 2001 and 13 December 2001 respectively :-

- (i) Proposed acquisition by YTL Land & Development Berhad (“YTL L&D”) of 45% equity interest in Syarikat Kemajuan Perumahan Negara Sdn. Bhd. (“SKPN”) from Syarikat Pembinaan Yeoh Tiong Lay Sdn. Bhd. (“SPYTL”), a subsidiary of the Company;
- (ii) Proposed acquisition by YTL L&D of 5% equity interest in SKPN from Pemasaran Simen Negara Sdn. Bhd.;
- (iii) Proposed acquisition by YTL L&D of 100% equity interest in Bayumaju Development Sdn. Bhd. (“Bayumaju”) from the Company;
- (iv) Proposed acquisition by YTL L&D of 100% equity interest in Pakatan Perakbina Sdn. Bhd. (“Pakatan”) from SPYTL and Dato’ Hj. Mohd. Zainal Abidin Hj. Abdul Kadir;
- (v) Proposed acquisition by YTL L&D of 30% equity interest in Udapakat Bina Sdn. Bhd., a 70% owned subsidiary of Pakatan, from Uda Holdings Bhd.;
- (vi) Proposed acquisition by YTL L&D of 5% equity interest in PYP Sendirian Berhad which is 95% owned by Pakatan, from YM Dato’ Raja Wahid Bin Raja Kamaralzaman;
- (vii) Proposed issue of irredeemable convertible preference shares at an issue price of RM1 each by YTL L&D;
- (viii) Proposed increase in the authorised share capital of YTL L&D; and
- (ix) Proposed amendments to the Memorandum of Association of YTL L&D and proposed adoption of the new Articles of Association of YTL L&D;

Items (i) to (vi) above are collectively referred to as the “Proposed Acquisition by YTL L&D”.

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Status of utilisation of proceeds

(a) 8.5% Redeemable Non-Guaranteed Unsecured Bonds (“Bonds”)

A sum of RM132.4 million of the remaining unutilised proceeds received by the Company from the issue of the RM500 million Bonds on 29 June, 1999 is placed under Fixed Deposits with licensed financial institutions pending equity investments in Express Rail Link Sdn. Bhd., a 50% associate of the Company. The approval of the Securities Commission (SC) to extend for a period of 12 months from 31 December, 2002 to 31 December, 2003 to complete the utilisation of the above amount was received vide its letter dated 24 December, 2002.

(b) 7% Redeemable Non-Guaranteed Unsecured Bonds

The proceeds received by YTL Power International Berhad from the issue of the RM750 million 7% Redeemable Non-Guaranteed Unsecured Bonds on 11 January, 2000 is placed under Fixed Deposits with licensed financial institutions pending investment in power generation assets.

(c) 2.5% Exchangeable Guaranteed Bonds Due 2006

The proceeds received by YTL Power Finance (Cayman) Limited, a wholly-owned subsidiary of YTL Power International Berhad, from the issue of the USD150 million 2.5% Exchangeable Guaranteed Bonds Due 2006 on 11 July, 2001 has been invested into YTL Utilities Limited, a wholly-owned subsidiary incorporated in the Cayman Islands. YTL Utilities Limited in turn holds the entire issued and paid-up share capital of YTL Utilities (UK) Limited which acquired the entire issued and paid-up share capital of Wessex Water Limited. The approval of the Securities Commission to extend the purpose for the utilisation of the proceeds for this investment was received vide its letter dated 15 April, 2002.

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B9. Group Borrowings and Debt Securities

Particulars of the Group's borrowings and debts securities as at 31 March, 2003 are as follows :-

Borrowings	RM'000
(i) Short term	
- secured	1,299,306
- unsecured	727,988

	2,027,294

(ii) Long term	
- secured	1,402,813
- unsecured	9,247,710

	10,650,523

The above include borrowings denominated in foreign currencies as follows :-

In US Dollar ('000)	150,000
In Sterling Pound ('000)	1,123,441
In HK Dollar ('000)	11,531

B10. Off Balance Sheet Financial Instruments

The Group finances its activities through a combination of short-term borrowings, long-term loans and bonds. The Group uses derivative financial instruments to limit the Group's exposure to interest rate movements. These instruments are not recognised in the financial statements on inception. The accounting policy with regards to these financial instruments, which remain the same to that disclosed in the latest audited financial statements is as follows :

“Interest rate swap contracts protect the Group from movements in interest rates. Any differential to be paid or received on an interest rate swap contract is recognised as a component of interest income or expense over the period of the contract. Gains and losses on early termination of interest rate swaps or on repayment of the borrowings are taken to the income statement.”

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There has been no material change to the terms and conditions of derivative financial instruments disclosed in the latest audited financial statements and the date of this announcement. In addition to the above, Wessex Water Limited, has several interest rate swap agreements which limit the Group's exposure to floating interest rate, details of which are as follows :-

	Total £'000
Notional Principal Amount (denotes in Sterling Pound)	74,647
	=====
	RM'000
RM equivalent (exchange rate £1=RM6.05)	451,614
Average fixed interest rate	5.76%
Average period to maturity of the fixed rate borrowing (years)	3.3

All derivative financial instruments are executed with creditworthy counter parties with a view to limit the credit risk exposure of the Group.

B11. Dividend paid

At the Annual General Meeting held on 18 December, 2002, the shareholders of the Company had approved a final dividend of 15% less tax in respect of the financial year ended 30 June, 2002. The dividend was paid on 17 January, 2003.

The Board does not recommend any interim dividend for the current financial quarter.

B12. Material litigation

There are claims made by third parties against Sentul Raya Sdn. Bhd., a subsidiary of the Company. However, the Directors of the subsidiary are of the opinion that the claims will not materially affect the future position or business of the Group.

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

INTERIM FINANCIAL REPORT

Notes : - continued

B13. Earnings Per Share

(i) Basic earnings per share

The basic earnings per share of the Group has been computed by dividing the net profit for the financial quarter as set out below :-

	Current Quarter 31.3.2003	Preceding Year Corresponding Quarter 31.3.2002 (restated)
Net profit for the period/Profit attributable to shareholders (RM'000)	146,770	84,142
<i>Weighted average number of ordinary shares ('000)</i>		
Issued at the beginning of the period	1,474,586	1,473,231
Exercise of warrants to ordinary shares	-	74
Shares repurchased	(23,730)	(33,074)
	----- 1,450,856	----- 1,440,231
Basic earnings per share (sen)	----- 10.12	----- 5.84

YTL CORPORATION BERHAD (Company No. 92647-H)
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INTERIM FINANCIAL REPORT

Notes : - continued

B13. Earnings Per Share - continued

(ii) Diluted earnings per share

The diluted earnings per share of the Group has been computed by dividing the net profit for the financial quarter as set out below :-

	Current Quarter 31.3.2003	Preceding Year Corresponding Quarter 31.3.2002 (restated)
Net profit for the period/Profit attributable to shareholders (RM'000)	146,770	84,142
<i>Weighted average number of ordinary shares-diluted ('000)</i>		
Weighted average number of ordinary shares-basic	1,450,856	1,440,231
Effect of unexercised warrants	13,530	45,912
Effect of unexercised employees share option scheme	4,317	-
	----- 1,468,703	----- 1,486,143
Diluted earnings per share (sen)	----- 10.00	----- 5.66

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 22 May 2003