

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the fourth quarter ended 30 June 2005.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING	YEAR	
	QUARTER	CORRESPONDING	12 MONTHS ENDED	
	30.6.2005	QUARTER	30.6.2005	30.6.2004
	RM'000	(RESTATED)	RM'000	RM'000
		30.6.2004		
		RM'000		
REVENUE	1,303,353	1,113,145	4,949,947	4,409,398
OPERATING EXPENSES	(869,422)	(617,919)	(3,134,482)	(2,586,357)
OTHER OPERATING INCOME	39,033	3,769	92,593	70,075
PROFIT FROM OPERATIONS	472,964	498,995	1,908,058	1,893,116
FINANCE COSTS	(220,376)	(177,657)	(801,221)	(693,409)
SHARE OF PROFITS OF ASSOCIATED COMPANIES	93,496	(1,944)	189,548	14,551
PROFIT BEFORE TAXATION	346,084	319,394	1,296,385	1,214,258
TAXATION	(113,078)	(129,368)	(347,590)	(206,554)
PROFIT AFTER TAXATION	233,006	190,026	948,795	1,007,704
MINORITY INTERESTS	(91,018)	(73,911)	(361,684)	(302,799)
NET PROFIT FOR THE PERIOD	141,988	116,115	587,111	704,905
EARNINGS PER SHARE				
Basic (Sen)	9.95	8.15	41.22	48.07
Diluted (Sen)	9.16	7.91	38.50	46.74

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2004

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

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED BALANCE SHEETS

	UNAUDITED AS AT 30.6.2005 RM'000	RESTATED AUDITED AS AT 30.6.2004 RM'000
PROPERTY, PLANT & EQUIPMENT	16,542,152	15,051,570
INVESTMENT PROPERTIES	561,059	535,112
INVESTMENT IN SUBSIDIARIES	181,704	196,870
INVESTMENT IN ASSOCIATED COMPANIES	1,120,840	321,180
QUOTED INVESTMENTS	9,471	12,523
UNQUOTED INVESTMENTS	581,225	433,601
DEVELOPMENT EXPENDITURE	650,805	617,237
CAPITAL WORK-IN-PROGRESS	24,949	4,960
GOODWILL ON CONSOLIDATION	618,640	685,500
CURRENT ASSETS		
Inventories	304,503	235,380
Property development projects	205,490	191,507
Trade & other receivables	2,134,686	2,194,514
Tax recoverable	155,808	72,198
Inter-company balances	33,905	29,488
Short term investments	41,964	66,805
Fixed deposits	5,666,583	5,828,241
Cash & bank balances	74,577	54,205
	8,617,516	8,672,338

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2004

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

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED BALANCE SHEETS – continued

	UNAUDITED AS AT 30.6.2005 RM'000	RESTATED AUDITED AS AT 30.6.2004 RM'000
LESS : CURRENT LIABILITIES		
Trade & other payables	1,272,483	1,164,268
Inter-company balances	1,566	738
Short term borrowings	2,683,675	1,252,414
Provision for taxation	178,008	157,656
Provision for liabilities & charges	31,604	28,708
	-----	-----
	4,167,336	2,603,784
	-----	-----
NET CURRENT ASSETS	4,450,180	6,068,554
	-----	-----
	<u>24,741,025</u>	<u>23,927,107</u>
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2004

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

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	UNAUDITED AS AT 30.6.2005 RM'000	RESTATED AUDITED AS AT 30.6.2004 RM'000
FINANCED BY : -		
SHARE CAPITAL	762,966	737,293
RESERVES		
Share premium	290,759	549,075
Capital reserve	60,959	60,959
Reserve on consolidation	346	346
Exchange differences reserve	42,056	83,907
Other reserve	35,232	-
Retained profits	4,756,362	4,243,030
Less : Treasury shares, at cost	(542,103)	(308,637)
	-----	-----
SHAREHOLDERS' FUNDS	5,406,577	5,365,973
MINORITY INTERESTS	2,651,282	2,037,863
LONG TERM BORROWINGS	13,552,029	13,483,908
OTHER LONG TERM LIABILITIES	92,479	97,403
PROVISION FOR LIABILITIES	415,545	393,073
RETIREMENT BENEFITS	10,325	-
DEFERRED INCOME	149,213	145,320
DEFERRED TAXATION	2,463,575	2,403,567
	-----	-----
	24,741,025	23,927,107
	=====	=====
Net Tangible Assets Per 50 sen share (Sen)	336.55	332.42
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2004

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

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2005**

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	Other Reserve RM'000	Total RM'000
Balance at 1.7.2004	737,293	549,075	60,959	346	83,907	4,258,148	(308,637)	-	5,381,091
Prior year adjustments	-	-	-	-	-	(15,118)	-	-	(15,118)
As restated	737,293	549,075	60,959	346	83,907	4,243,030	(308,637)	-	5,365,973
<i>Currency translation differences</i>	-	-	-	-	(41,851)	-	-	-	(41,851)
Net gains not recognised in the income statement	-	-	-	-	(41,851)	-	-	-	(41,851)
Net profit for the period	-	-	-	-	-	587,111	-	-	587,111
Treasury shares	-	-	-	-	-	-	(669,724)	-	(669,724)
Share dividend	-	(436,258)	-	-	-	-	436,258	-	-
Dividend paid	-	-	-	-	-	(73,779)	-	-	(73,779)
Equity Component of Exchangeable bond	-	-	-	-	-	-	-	35,232	35,232
Issue of share capital	25,673	177,942	-	-	-	-	-	-	203,615
Balance at 30.6.2005	762,966	290,759	60,959	346	42,056	4,756,362	(542,103)	35,232	5,406,577

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2004

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

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2005**

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 1.7.2003								
- as previously reported	737,293	549,073	60,959	346	63,190	3,719,202	(116,016)	5,014,047
- prior year adjustment	-	-	-	-	(5,558)	(123,534)	-	(129,092)
	737,293	549,073	60,959	346	57,632	3,595,668	(116,016)	4,884,955
<i>Currency translation differences</i>	-	-	-	-	26,275	-	-	26,275
Net gains not recognised in the income statement	-	-	-	-	26,275	-	-	26,275
Net profit for the period	-	-	-	-	-	704,905	-	704,905
Excess of consideration for shares subscribed in a new subsidiary over net tangible asset required	-	-	-	-	-	20,552	-	20,552
Treasury shares	-	-	-	-	-	-	(192,621)	(192,621)
Dividend paid	-	-	-	-	-	(78,095)	-	(78,095)
Issue of share capital	-	2	-	-	-	-	-	2
Balance at 30.6.2004	737,293	549,075	60,959	346	83,907	4,243,030	(308,637)	5,365,973

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2004

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

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2005**

	12 MONTHS ENDED	
	30.6.2005	30.6.2004
	RM'000	RM'000
Net cash from operating activities	1,660,850	1,385,381
	-----	-----
Net cash (used in) investing activities	(1,769,512)	(1,032,351)
	-----	-----
Net cash from financing activities	(14,311)	(21,081)
	-----	-----
Net changes in cash and cash equivalents	(122,973)	331,949
Cash and cash equivalents brought forward	5,822,815	5,490,866
	-----	-----
Cash and cash equivalents carried forward	5,699,842	5,822,815
	=====	=====

Cash and cash equivalents comprise :

	RM'000	RM'000
Fixed Deposits	5,666,583	5,828,241
Cash & bank balances	74,577	54,205
Bank overdrafts	(41,318)	(59,631)
	-----	-----
	5,699,842	5,822,815
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June, 2004

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

INTERIM FINANCIAL REPORT

Notes :

Disclosure requirements per FRS 134 (formerly known as MASB 26) – paragraph 16

A1. Accounting Policies and methods of computation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (FRS) 134 “Interim Financial Reporting” (formerly known as MASB 26) and Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The Condensed Financial Statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 30 June 2004.

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 for the financial year ended 30 June 2004 except for the adoption of FRS 201 “Property Development Activities”.

The comparatives in the balance sheet as at 30 June 2004 in respect of the following have been restated in accordance with the requirements of FRS 201:-

	Previously Stated RM'000	Adjustments RM'000	Restated RM'000
Development Expenditure	617,862	(625)	617,237
Property development expenditure	206,000	(14,493)	191,507
Retained Profit	4,258,148	(15,118)	4,243,030

The adoption of FRS 201 resulted in a change in accounting policy and this change has been accounted for retrospectively and the effects on the interim financial statements are as follows:-

	2005 RM'000	2004 RM'000
Effects on Retained Profit:		
At 1 July 2004, as previously stated	4,258,148	3,606,072
Effect of change in accounting policy	(15,118)	(10,404)
At 1 July 2004, restated	4,243,030	3,595,668

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

INTERIM FINANCIAL REPORT

Notes : - continued

Effects on net profit for the period:

	Individual Quarter		Cumulative Quarter	
	30.06.05	30.06.04	30.06.05	30.06.04
	RM'000	RM'000	RM'000	RM'000
Net profit before change in accounting policy	142,407	117,293	588,788	709,619
Effect of change in accounting policy	419	(1,178)	1,677	(4,714)
Net profit for the period	141,988	116,115	587,111	704,905

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 2004.

A2. Audit Report of the preceding financial year ended 30 June 2004

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.

A4. Exceptional or Unusual Items

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A5. Changes in estimates of amounts reported

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

INTERIM FINANCIAL REPORT

Notes : - continued

A6. 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) Repurchased a total of 24,882,700 ordinary shares of its issued share capital from the open market for a total consideration of RM135.379 million at an average cost of RM5.441 per share during the current financial quarter. During the current financial year to date, a total of 127,906,500 ordinary shares were repurchased from the open market for a total consideration of RM669.724 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 (as amended) of the Companies Act, 1965.
- (ii) During the current financial year ended 30 June 2005, 10,199,571 and 7,198,849 ordinary shares were issued pursuant to the exercise of 1997/2007 and 1999/2009 warrants at an exercise price of RM2.95 and RM4.54 per share respectively in the Company.

For the current financial quarter ended 30 June 2005, 741,698 and 23,263,220 ordinary shares were issued pursuant to the exercise of 1997/2007 and 1999/2009 warrants at an adjusted exercise price of RM2.75 and RM4.23 per share respectively. During the financial year ended 30 June 2005, 1,859,338 and 32,087,620 ordinary shares were issued pursuant to the exercise of 1997/2007 and 1999/2009 warrants at an adjusted exercise price of RM2.75 and RM4.23 per share respectively.

- (iii) During the current financial year ended 30 June 2005, YTL Power International Berhad (“YTL Power”), a subsidiary of the Company issued a total of and 338,371,519 ordinary shares of RM0.50 each pursuant to the conversion of 2.5% Exchangeable Guaranteed Unsecured Bonds (“Bonds”) respectively.
- (iv) Repayment of RM400 million Medium Term Loan (MTN”) on 16 July 2004 and re-issued RM100 million MTN on 23 August 2004 with a maturity date falling on 24 August 2005 by YTL Power Generation Sdn. Bhd., a wholly owned subsidiary of YTL Power during the financial year to date.
- (v) On 7 January 2005, being the Redemption Date, YTL Power announced that it had redeemed all the outstanding Bonds amounting to USD5,415,000 (RM20,577,000). As at the Redemption Date, Bonds amounting to USD144,585,000 (RM549,423,000) had been converted into 373,537,607 ordinary shares of RM0.50 each in YTL Power. Each Bond was exchangeable at the option of the registered holder into fully paid Shares at an exchange price of RM1.47 per share.

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

INTERIM FINANCIAL REPORT

Notes : - continued

- (vi) On 21 February 2005, a total of 91,257,845 treasury shares were distributed as share dividend to the shareholders on the basis of one (1) treasury share for every fifteen (15) existing ordinary shares of RM0.50 each held. As at 30 June 2005, the number of treasury shares held is 103,725,005 ordinary shares.
- (vii) On 9 March 2005, the Company announced that its foreign wholly-owned subsidiary, YTL Power Finance (Cayman) Limited proposed to issue up to USD300 million nominal value 5-year Guaranteed Exchangeable Bonds (“Proposed Bond Issue”). The bonds are exchangeable into new ordinary shares of 50 sen each in the Company. On 28 April 2005, YTL Power announced that the Proposed Bond Issue size had been fixed at USD250 million and the Lead Managers had on 27 April 2005 launched and priced the USD250 million nominal value bonds (“Bonds”). The salient features of the Bonds which matures on 9 May 2010 are as follows:-
- a) carries no coupon;
 - b) has a yield to maturity at 3.375%; and
 - c) has a put option at 110.56% on 9 May 2008 (3 years).

The exchange price of the Bonds is RM2.2770 and the final redemption price is at 118.22% The Bonds were issued on 9 May 2005 and listed on Singapore Exchange Securities Trading Limited on 10 May 2005. The net proceeds of the Bonds are currently placed under fixed deposit pending investment in utilities assets.

- (viii) A YTL Power’s subsidiary company had on 10 March 2005 issued a £200 million Guaranteed Bonds due in year 2028 with 5.375% annual coupons. The net proceeds of the issue of the Bonds, amounting to approximately £197.5 million were used to refinance its existing indebtedness.

The outstanding debts are as disclosed in note B9.

A7. Dividend paid

A first and final gross dividend 15% less income tax of 28% amounting to RM73,779,259 in respect of the financial year ended 30 June 2004 was paid during the current financial year.

The Company on 21st February 2005, distributed 91,257,845 treasury shares as share dividend to the shareholders on the basis of one (1) treasury share for every fifteen (15) existing ordinary shares of RM0.50 each held as at 4th February 2005.

INTERIM FINANCIAL REPORT

Notes : - continued

A8. Segment Reporting

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

The Group's segmental report for the year ended 30 June 2005 is as follows:-

	Construction RM'000	Information technology & e-commerce related business RM'000	Cement Manufacturing & trading RM'000	Property investment & development RM'000	Management services & others RM'000	Hotels RM'000	Utilities RM'000	Total RM'000
Revenue	142,812	24,544	732,895	238,239	225,137	98,402	3,487,918	4,949,947
<hr/> <hr/>								
Results								
Profit from Operations	27,266	10,548	118,649	97,464	216,274	8,865	1,415,543	1,894,609
Finance costs								(801,221)
Gain on disposal of quoted investments								13,449
Share of profit of associated companies								189,548
Profit before taxation								1,296,385
Taxation								(347,590)
Profit after taxation								948,795
Minority interests								(361,684)
Net profit for the year								587,111

INTERIM FINANCIAL REPORT

Notes : - continued

A8. Segment Reporting

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

The Group's segmental report for the year ended 30 June 2004 is as follows:-

	Construction RM'000	Information technology & e-commerce related business RM'000	Cement Manufacturing & trading RM'000	Property investment & development RM'000	Management services & others RM'000	Hotels RM'000	Utilities RM'000	Total RM'000
Revenue	108,783	27,349	557,619	190,458	234,716	98,000	3,192,473	4,409,398
Results								
Profit from Operations	9,874	12,512	100,118	86,580	238,884	10,175	1,267,573	1,725,716
Finance costs								(693,409)
Gain on disposal of quoted investments								167,400
Share of profits of associated companies								14,551
Profit before taxation								1,214,258
Taxation								(206,554)
Profit after taxation								1,007,704
Minority interests								(302,799)
Net profit for the year								704,905

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

INTERIM FINANCIAL REPORT

Notes : - continued

A9. 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.

A10. Material Events Subsequent to the end of the interim period

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

A11. Changes in the Composition of the Group

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

- (i) Share subdivision by YTL Land & Development Berhad (“YTL L&D”), a subsidiary of the Company into the followings:-
 - (i) subdivision of 169,116,369 ordinary share of RM1.00 each into 338,232,738 ordinary shares of RM0.50 each;
 - (ii) subdivision of 167,735,098 irredeemable convertible preference shares (“ICPS-A”) of RM1.00 each into 335,470,196 ICPS-A of RM0.50 each; and
 - (iii) subdivision of 280,431,451 ICPS-B of RM1.00 each into 560,862,902 ICPS-B of RM0.50 each effective on 1 July 2004 was completed with the listing of the new ordinary shares of RM0.50 each on the Main Board of Bursa Securities Malaysia Berhad on 12 July 2004.
- (ii) Share subdivision by YTL Power, from 2,306,254,911 ordinary shares of RM1 each into 4,612,509,822 ordinary shares of RM0.50 each which was effective 1 July 2004 was completed with the listing of the new ordinary shares of RM0.50 each on the Main Board of Bursa Securities Malaysia Berhad on 12 July 2004.
- (iii) Share subdivision by YTL E-Solutions Berhad (“YTL E-Solutions”), a subsidiary of the Company from 135,000,000 ordinary shares of RM1.00 each into 1,350,000,000 ordinary shares of RM0.10 each which was effective 1 July 2004 was completed with the listing and quotation of the new shares on the MESDAQ market on 12 July 2004.
- (iv) Share subdivision by YTL Cement Berhad (“YTL Cement”), a subsidiary of the Company from 191,634,148 ordinary shares of RM1.00 each into 383,268,296 ordinary shares of RM0.50 each which was effective 1 July 2004 was completed with the listing of the new ordinary shares of RM0.50 each on the Main Board of Bursa Securities Malaysia Berhad on 12 July 2004.

INTERIM FINANCIAL REPORT

Notes : - continued

- (v) During the current financial quarter, YTL Power repurchased a total of 76,136,500 ordinary shares of its issued share capital from the open market value for a total consideration of RM151,493,435 at an average cost of RM1.990 per share. During the current financial year to date, a total of 187,836,600 shares were repurchased from the open market for a total consideration of RM358,030,054. The repurchase of shares were financed by internally generated funds.

For the current financial quarter and financial year to date, a total of 190,341,574 treasury shares were distributed by YTL Power as share dividend to the shareholders on the basis of one (1) treasury share for every twenty-five (25) ordinary shares held on 4 February 2005. As at 30 June 2005, the number of treasury shares held in YTL Power are 160,457,056 ordinary shares.

- (vi) During the current financial year ended 30 June 2005, YTL Power issued a total of 338,371,519 ordinary shares of RM0.50 each pursuant to the conversion of 2.5% Exchangeable Guaranteed Unsecured Bonds respectively.
- (vii) During the current financial year ended 30 June 2005, 34,132,592 ordinary shares were issued pursuant to the exercise of warrants at an average exercise price of RM 1.46 per share in YTL Power.

For the current financial quarter and for the year ended 30 June 2005, 9,667,400 and 11,782,000 ordinary shares were issued respectively pursuant to the exercise of warrants at an adjusted exercise price of RM1.41 per share in YTL Power.

- (viii) During the year ended 30 June 2005, YTL Cement issued a total of 95,233,626 ordinary shares of RM0.50 each were issued pursuant to the exercise of the 1994/2004 warrants and during the current financial quarter, a total of 8,373,000 ordinary shares of RM0.50 each were issued pursuant to the exercise of employees' share option scheme (ESOS) at an exercise price of RM1.21 per share in YTL Cement.
- (ix) On 21 February 2005, for the current quarter and financial year to date, a total of 18,567,736 treasury shares were distributed by YTL Cement as share dividend to the shareholders on the basis of one (1) treasury share for every twenty-five (25) ordinary shares held on 4 February 2005. As at 30 June 2005, the number of treasury shares held in YTL Cement are 3,698,264 ordinary shares.

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

INTERIM FINANCIAL REPORT

Notes : - continued

- (x) During the current financial year to date, the share capital of YTL L&D has increased from RM169,116,369 to RM172,225,090 as a result of conversions of:-
- (1) 24,209,036 Irredeemable Convertible Preference Shares (“ICPS-A”) of RM0.50 into 6,207,442 new ordinary shares of RM0.50 each based on a conversion ratio of one (1) new ordinary share of RM0.50 each for every RM3.90 of ICPS-A held; and
 - (2) 13,400 Irredeemable Convertible Preference Shares (“ICPS-B”) of RM0.50 into 10,000 new ordinary shares of RM0.50 each based on a conversion ratio of one (1) ordinary share of RM0.50 each for every RM1.34 of ICPS-B held.

During the current financial year to date, 5,133,000 ICPS-A of RM0.50 each were issued to Scheme creditors pursuant to the Composite Scheme of Arrangement and the number of ICPS-A outstanding as at 30 June 2005 was 316,394,160. There was no issuance of ICPS-B during the current financial year to date and the total number of ICPS-B outstanding as at 30 June 2005 was 560,849,502 of RM0.50 each.

For the current financial quarter, YTL L&D repurchased a total of 100 ordinary shares of its issued share capital from the open market value for a total consideration of RM113 at a cost of RM1.13 per share. During the current financial year to date, a total of 200 shares were repurchased from the open market for a total consideration of RM239. The repurchase of shares are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

- (xi) On 30 August 2004, YTL Power acquired 100% equity interest in Dockdale Investments Limited (now known as YTL Jawa Power Holdings Limited), Worplan Investments Limited (now known as YTL Jawa O&M Holdings Limited), YTL Jawa Power B.V., YTL Jawa Power Services B.V., YTL Jawa O & M Holdings B.V. for a cash consideration of CYP1,000, CYP1,000, EUR18,000, EUR18,000 and EUR18,000 respectively.
- (xii) On 6 October 2004, the Company acquired 824,998 ordinary shares of RM1.00 each in Sentul Park Koi Centre Sdn. Bhd. (“SPKC”) via its subsidiary, Autodome Sdn. Bhd. for a cash consideration of RM824,998. This acquisition resulted in SPKC becoming a subsidiary of the Group.
- (xiii) On 17 November 2004, YTL Power acquired 100% equity interest in YTL Utilities Finance 2 Limited (Formerly known as YTL Jawa Power Holdings Ltd.) via its subsidiary, YTL Utilities Limited, for a purchase consideration of US\$50,000.

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

INTERIM FINANCIAL REPORT

Notes : - continued

- (xiv) On 10 December 2004, YTL Power completed the acquisition of 122,920 ordinary shares of United States Dollars (“USD”) 1,000 each, representing 35 % equity interest in P.T. Jawa Power. YTL Power has also completed the acquisition of 500 ordinary shares of United States Dollars (“USD”) 1,000 each, representing 100 % equity interest in PT Powergen Jawa Timur.
- (xv) On 23 February 2005, YTL Power announced that it has incorporated YTL Jawa Power Holdings BV, a company incorporated in the Netherlands with an authorized share capital of EUR90,000.00 comprising 90,000 ordinary shares of EUR1.00 each. The issued and paid-up share capital is EUR18,000.00 divided into 18,000 ordinary shares of EUR1.00 each.
- (xvi) On 16 July 2004, YTL Cement entered into a conditional sale and purchase agreement (“S&P Agreement”) with Doosan Heavy Industries & Construction Co. Ltd (“Doosan”) of Korea to acquire 107,500,000 ordinary shares of RM1.00 each representing a 32.10 % stake in Perak-Hanjoong Simen Sdn. Bhd., a company incorporated under the laws of the Malaysia, for a total cash consideration of RM75,250,000 (“Proposed Doosan Acquisition”).

On 5 November 2004, YTL Cement entered into a sale and purchase agreement (“SPA”) with Danaharta Managers Sdn. Bhd., as security agent and trustee for and on behalf of Danaharta Managers (L) Ltd., to acquire 109,658,000 shares representing 32.74% of the issued and paid-up share capital of Perak-Hanjoong for a cash consideration of RM109,658,000 (“Proposed Danaharta Acquisition”).

The Proposed Doosan Acquisition and Proposed Danaharta Acquisition are collectively referred to as “Proposed Acquisitions”.

The completion of the Proposed Acquisition resulted in YTL Cement holding a 64.84% equity interest in Perak-Hanjoong.

- (xvii) On 3 May 2005, YTL E-Solutions acquired two (2) ordinary shares of £1.00 each in Infoscreen Networks Limited (INL), representing the entire interest in INL. Subsequently, INL subdivided its paid up capital into 200 ordinary shares of £0.01 each and increased its authorised share capital from £100 to £10,000,000 by the creation of a further 999,990,000 INL shares.

On 2 June 2005, YTL E-Solutions entered into a conditional Sale and Purchase cum Subscription Agreement with INL, for the disposal by YTL E-Solutions of 2 ordinary shares of RM1.00 each in YTL Info Screen Sdn Bhd (YTLIS Shares), representing the entire equity interest in YTLIS to INL for a cash consideration of RM397,066 (“Disposal”) and subscription by YTL E-Solutions of 299,999,800 new ordinary shares of £0.01 each in INL for a cash consideration of £2,999,998 (“Subscription”). As at 30 June 2005, INP was a 99.78% owned subsidiary of YTL E-Solutions Berhad.

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

INTERIM FINANCIAL REPORT

Notes : - continued

The above Disposal and Subscription were completed on 10 June 2005. Subsequently, INL was re-registered as a public limited company and accordingly changed its name to Infoscreen Networks Plc (“INP”).

On 20 June 2005, INP was admitted to and granted listing on the Alternative Investment Market of the London Stock Exchange. On the same day, a total of 666,666 INP shares were sold by YTL E-Solutions to identified market makers in the United Kingdom at £0.03 per INP share. As at 30 June 2005, INP was a 99.78% owned of YTL E-Solutions.

- (xviii) On 7 June 2005, the Company acquired two (2) ordinary shares of RM1.00 each in YTL Majestic Hotel Sdn Bhd (YTLMH) via its wholly-owned subsidiary, YTL Land Sdn Bhd for a consideration of RM2.00 only.
- (xix) The Company has on 5 August 2005 subscribed for 509,999 ordinary shares of RM1.00 each in Diamond Recipe Sdn Bhd (DRSB) via its wholly owned subsidiary, Autodome Sdn Bhd for a consideration of RM509,999 resulting in DRSB becoming a subsidiary of the Company.

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

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

INTERIM FINANCIAL REPORT

Notes : - continued

A12. Changes in Contingent Liabilities or Contingent Assets

Since the last annual balance sheet as at 30 June 2004, there were no changes in the contingent liabilities of the Group except for the reduction of trade facilities amounting to RM25 million, reduction of revolving credit facility amounting to RM65 million; reduction of supplier credit facility of RM0.5 million, reduction of bankers' guarantee amounting to RM29.9 million and increase of hire purchase facility amounting to RM15 million for the subsidiaries of the Company.

As at 30 June 2005, the Company has given corporate guarantees amounting to RM790.95 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	22,940	6,832
Bank overdrafts	31,900	13,319
Letters of credit/trust receipts/bankers acceptances/ shipping guarantees	134,900	62,998
Revolving loans/advances	59,413	33,310
Bankers' guarantees :-		
Advance payment bonds/performance bonds, pre-bid bonds and other related guarantees	41,800	34,531
Commercial papers/medium term notes	500,000	300,000
	-----	-----
	790,953	450,990
	=====	=====

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.

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

INTERIM FINANCIAL REPORT

Notes : - continued

Disclosure requirements per Bursa Malaysia Securities Berhad listing requirements Part A of Appendix 9B

B1. Review of Performance

The Group recorded a revenue and profit before taxation for the current financial quarter of RM1,303.3 million and RM346.1 million respectively, representing an increase of 17.1% and 8.4% respectively when compared to the previous corresponding quarter ended 30 June 2004.

The Group's revenue and profit before taxation for the year ended 30 June 2005 were recorded at RM4,949.9 million and RM1,296.4 million respectively, representing an increase of 12.3% and 17.6% respectively when compared to the previous corresponding year ended 30 June 2004 of RM4,409.4 million and RM1,102.2 million (after excluding an exceptional gain on disposal of quoted investments of RM112.016 million included in the profit before taxation in the previous corresponding year ended 30 June 2004).

In line with the increased revenue, the Group's net profit improved from RM459.7 million (excluding the exceptional gain of RM112.016 million and the recognition of deferred taxation benefits in an associated company of RM133.141 million) in the previous corresponding year ended 30 June 2004 to RM587.1 million in the current year ended 30 June 2005 representing an increase of 27.7%.

B2. Comparison with Preceding Quarter

For the current financial quarter, the Group registered a higher profit before taxation of RM346.1 million as compared to RM317.9 million for the preceding financial quarter representing an increase of 8.9%.

The increase in the Group's profit before taxation in the current financial quarter was due mainly to the better results achieved by the utilities activities and its cement manufacturing and trading activities.

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 2006.

B4. Profit Forecast

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

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

INTERIM FINANCIAL REPORT

Notes : - continued

B5. Taxation

Taxation comprises the following: -

	Current Year	Preceding Year	Current year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	30.6.2005	30.6.2004	30.6.2005	30.6.2004
	RM'000	RM'000	RM'000	RM'000
Taxation based on profit for the period	62,200	118,017	247,680	296,300
In respect of prior years				
- Income tax	704	(11,263)	(2,494)	(11,285)
- Deferred tax	(15,148)	(1,787)	(38,421)	(1,787)
Deferred taxation	45,574	24,505	89,295	53,669
Share of tax in associated companies:				
- taxation for the period	19,748	(104)	51,530	2,798
- deferred taxation	-	-	-	(133,141)
	-----	-----	-----	-----
	113,078	129,368	347,590	206,554
	=====	=====	=====	=====

The provision for taxation of the Group for the year ended 30 June 2005 reflects an effective tax rate lower than the Statutory Income Tax Rate due to income of foreign subsidiaries which is tax exempt and the availability of reinvestment allowances for some of its local subsidiaries. Tax losses brought forward has also reduced taxation of the Group for the year ended 30 June 2005.

B6. Sales of Unquoted Investment and /or Properties

During the current financial year to date, profit on sales of unquoted investments amounted to RM33,753.

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

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

INTERIM FINANCIAL REPORT

Notes : - continued

B7. Quoted Securities

(a)	Current Year Quarter 30.6.2005 RM'000	Current year To Date 30.6.2005 RM'000
Purchases	-	2,688
Sales	3,033	4,255
Gain on disposal	12,859	13,449
	=====	=====

(b) Particulars of investment in quoted securities as at 30 June 2005 :

	RM'000
- At cost	9,470
- At carrying value	9,470
- At market value	9,732
	=====

B8. Corporate Developments

(a) As at the date of this announcement, there are no corporate proposals announced and pending completion except for the following :-

(i) On 30 October 2003, YTL L&D announced the proposal for placement of up to 20,000,000 new ordinary shares of RM1.00 each in YTL L&D to Dato' Suleiman bin Abdul Manan, the Director of YTL L&D ("Proposed Placement"). Approval of the Securities Commission ("SC") was received vide its letter dated 25 February 2004.

On 11 June 2004, the SC has vide its letter dated 8 June 2004, approved the revision to the terms of approval for the Proposed Placement of up to 40,000,000 new ordinary shares of RM0.50 each, as opposed to up to 20,000,000 new ordinary shares of RM1.00 each as approved earlier.

Approval of shareholders was obtained on 8 June 2004. SC has vide its letter dated 28 January 2005 (received on 2 February 2005), approved the application for extension of time until 24 August 2005 to complete the implementation of the Proposed Placement. *(may need to amend if SC approval is received by 26 Aug 2005)*

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

INTERIM FINANCIAL REPORT

Notes : - continued

(ii) On 15 March 2005, the Company announced the proposed disposal by YTL Land Sdn Bhd (“YTL Land”), a wholly owned subsidiary of the Company, of the entire interest in the following:-

- 1) A freehold land held under Grant 28678, Lot No. 1267, Section 67, town of Kuala Lumpur, state of Wilayah Persekutuan, together with a 32 storey block comprising a hotel known as “J.W.Marriot Hotel Kuala Lumpur” and a shopping complex with 5 basement car parks and a 12 level annexe building collectively known as Starhill Centre erected thereon (“Starhill”) to a real estate investment trust (“Proposed disposal of Starhill”); and
- 2) A 138 parcels of retail, office, storage and other spaces forming part of a building known as “Lot 10 shopping Centre” erected on a leasehold land under PN 11008, Lot No. 1247, Section 67, town of Kuala Lumpur, state of Wilayah Persekutuan (“Lot 10”) to a real estate investment trust (“Proposed disposal of Lot 10”).

On 7 July 2005, the Company further announced that YTL Land proposed to dispose of its entire interest in the above properties for a proposed total sale consideration of RM1,200 million to be satisfied as follows:-

- 1) proposed issuance of 530,400,000 new units in Starhill Real Estate Investment Trust (Starhill REIT) at an indicative issue price of RM1.00 per unit, to be credited as fully paid-up; and
- 2) proposed cash consideration of RM669,600,000 to be funded from the proceeds of the proposed listing of Starhill REIT on the Main Board of Bursa Malaysia Securities Berhad and bank borrowings to be raised by Starhill REIT.

The above proposed disposal was approved by the shareholders on 22 July 2005 and is currently pending the approval of the SC.

(iii) On 21 June 2005, YTL Cement announced the proposal for a renounceable rights issue of up to RM490,325,922 nominal value of 10-years 4% stepping up to 6% irredeemable convertible unsecured loan stock (ICULS) at 100% of its nominal value on the basis of RM1.00 nominal value of ICULS for every one (1) existing ordinary share of RM0.50 each share held in YTL Cement at an entitlement date to be determined later (Proposed Rights Issue of ICULS).

The proposed Rights Issue of ICULS is currently pending the approval of the SC and the shareholders of YTL Cement.

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

INTERIM FINANCIAL REPORT

Notes : - continued

(b) Status of utilisation of proceeds

(i) 8.5% Redeemable Non-Guaranteed Unsecured Bonds

A sum of. RM82.4 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 completion of equity investments in Express Rail Link Sdn.Bhd., a 50% associate of the Company. The approval of the SC to extend for a period of 12 months from 31 December 2004 to 31 December 2005 to complete the utilisation of the above amount was received vide its letter dated 16 March 2005.

(ii) 7 % Redeemable Non-Guaranteed Unsecured Bonds

The proceeds received by YTL Power 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.

(iii) USD250 million Guaranteed Exchangeable Bond due 2010

The net proceeds received by YTL Power Group from the issue of the USD250 million Guaranteed Exchangeable Bond due 2010 is currently placed under fixed deposits pending investment in utilities assets.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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

INTERIM FINANCIAL REPORT

Notes : - continued

B9. Group Borrowings and Debt Securities

Particulars of the Group's borrowings and debts securities as at 30 June 2005 are as follows :-

Borrowings

	RM'000
(i) Short term	
- Secured	2,393,107
- unsecured	290,568

	2,683,675

	RM'000
(ii) Long term	
- Secured	2,107,346
- unsecured	11,444,683

	13,552,029

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

In US Dollar ('000)	498,147
	=====
In Sterling Pound ('000)	1,270,066
	=====

All borrowings of subsidiary companies are on a non-recourse basis to the Company save and except for the following which are guaranteed by the Company.

- a) Term loan facility of USD250 million; and
- b) USD 250 Guaranteed Exchangeable Bonds due 2010.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

INTERIM FINANCIAL REPORT

Notes : - continued

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 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 :-

“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”.

There has been no material change to the terms and condition of 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 and one contract which swap fixed rate to variable rate, details of which are as follows :-

a) Interest rate swap contract which entitled them to receive interest at floating rates on notional principal amounts and obliged them to pay interest at fixed rates on the same amount.

	Total £'000
National Principal Amount (denotes in Sterling Pound)	70,800 =====
	RM'000
RM equivalent (exchange rate £1 = RM6.8685)	486,290
Average fixed interest rate	5.76%
Average period to maturity of the fixed rate borrowing (years)	1.55

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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

INTERIM FINANCIAL REPORT

Notes : - continued

B11. Dividend

The Board of Directors is pleased to recommend for the approval of the shareholders a First and Final Dividend of 15% less 28% tax for the year ended 30 June 2005 (30 June 2004: RM73,779,258 being 15% less 28% tax). The Book Closure and Payment Dates in respect of the aforesaid dividend will be determined by the Board at a later date.

B12. Material litigation

There are claims made by third parties against YTL L&D, a subsidiary of the Company via its subsidiary, Sentul Raya Sdn Bhd but the Directors of the Company are of the opinion that the claims will not materially affect the future position or business of the Group.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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 30.6.2005	Restated Preceding Year Corresponding Quarter 30.6.2004
Net profit for the period / Profit attributable to shareholders (RM'000)	141,988 =====	116,115 =====
<i>Weighted average number of ordinary shares ('000)</i>		
Issued at the beginning of the period	1,501,927	1,474,586
Shares repurchased	(74,686)	(49,463)
	----- 1,427,241 =====	----- 1,425,123 =====
Basic earnings per share (sen)	9.95 =====	8.15 =====

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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

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 30.6.2005	Restated Preceding Year Corresponding Quarter 30.6.2004
Net profit for the period / Profit attributable to shareholders (RM'000)	141,988 =====	116,115 =====
<i>Weighted average number of ordinary shares-diluted ('000)</i>		
Weighted average number of ordinary shares-basic	1,427,241	1,425,123
Effect of unexercised warrants	107,602	31,113
Effect of unexercised employees share option scheme	15,119	12,246
	----- 1,549,962 =====	----- 1,468,482 =====
*Diluted earnings per share (sen)	9.16 =====	7.91 =====

* *Total cash expected to be received in the event of an exercise of all outstanding warrants and ESOS options is RM1,674.347 million. Accordingly, the Net Tangible Asset (NTA) on a proforma basis will increase by RM1,674.347 million resulting in an increase in NTA per share of RM0.90. In arriving at the Diluted earnings per share, NTA and NTA per share, no income has been accrued for the cash proceeds.*

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 26 August 2005