

**YTL CORPORATION BERHAD**

Company No. 92647-H  
Incorporated in Malaysia

**Interim Financial Report**  
**30 September 2009**

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

**Interim Financial Report**  
**30 September 2009**

	<b>Page No.</b>
<b>Condensed Consolidated Income Statements</b>	<b>1</b>
<b>Condensed Consolidated Balance Sheets</b>	<b>2 - 3</b>
<b>Condensed Consolidated Statement of Changes in Equity</b>	<b>4 - 5</b>
<b>Condensed Consolidated Cash Flow Statement</b>	<b>6</b>
<b>Notes to the Interim Financial Report</b>	<b>7 - 21</b>

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

**INTERIM FINANCIAL REPORT**

Interim financial report on consolidated results for the financial quarter ended 30 September 2009.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.9.2009	PRECEDING YEAR CORRESPONDING QUARTER 30.9.2008	3 MONTHS ENDED	
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>	3,930,080	1,739,212	3,930,080	1,739,212
COST OF SALES	(3,109,552)	(1,066,628)	(3,109,552)	(1,066,628)
GROSS PROFIT	820,528	672,584	820,528	672,584
OTHER OPERATING EXPENSES	(183,681)	(163,078)	(183,681)	(163,078)
OTHER OPERATING INCOME	75,633	305,595	75,633	305,595
<b>PROFIT FROM OPERATIONS</b>	712,480	815,101	712,480	815,101
FINANCE COSTS	(278,120)	(278,178)	(278,120)	(278,178)
SHARE OF PROFITS OF ASSOCIATED COMPANIES	68,791	32,824	68,791	32,824
<b>PROFIT BEFORE TAXATION</b>	503,151	569,747	503,151	569,747
TAXATION	(123,447)	(101,380)	(123,447)	(101,380)
<b>PROFIT FOR THE PERIOD</b>	379,704	468,367	379,704	468,367
<b>ATTRIBUTABLE TO:</b>				
SHAREHOLDERS	207,514	252,367	207,514	252,367
MINORITY INTERESTS	172,190	216,000	172,190	216,000
<b>PROFIT FOR THE PERIOD</b>	379,704	468,367	379,704	468,367
<b>EARNINGS PER 50 SEN SHARE</b>				
Basic (Sen)	11.71	16.88	11.71	16.88
Diluted (Sen)	11.62	15.84	11.62	15.84

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>30.9.2009</b>	<b>30.6.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant & equipment	18,977,589	19,518,609
Investment properties	3,011,773	2,986,901
Prepaid lease payment	145,128	141,106
Investment in subsidiaries	181,704	181,704
Investment in associated companies	2,652,593	2,329,829
Investments	772,831	673,371
Development expenditure	827,643	849,190
Fixed deposits	451	449
Intangible assets	4,083,085	4,016,726
Other receivables	86,116	57,813
	<u>30,738,913</u>	<u>30,755,698</u>
<b>Current Assets</b>		
Inventories	1,019,557	1,056,110
Property development costs	564,505	533,153
Trade & other receivables	3,068,152	3,624,941
Derivative financial instruments	15,438	23,707
Income tax assets	100,438	105,115
Amount due from related parties	9,840	29,906
Short term investments	579,184	208,239
Fixed deposits	8,715,321	8,667,515
Cash & bank balances	505,018	409,448
	<u>14,577,453</u>	<u>14,658,134</u>
<b>TOTAL ASSETS</b>	<u><u>45,316,366</u></u>	<u><u>45,413,832</u></u>

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED BALANCE SHEETS – continued**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>30.9.2009</b>	<b>30.6.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>EQUITY</b>		
Share capital	949,360	948,496
Share premium	1,281,118	1,503,558
Other reserves	(240,166)	(109,774)
Retained profits	8,213,664	7,997,434
Less : Treasury shares, at cost	(665,715)	(892,549)
<b>Total Equity Attributable to Shareholders of the Company</b>	<u>9,538,261</u>	<u>9,447,165</u>
<b>Minority Interests</b>	1,153,872	953,219
<b>TOTAL EQUITY</b>	<u>10,692,133</u>	<u>10,400,384</u>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Long term payables	97,254	103,579
Bonds & borrowings	23,552,746	24,104,776
Deferred income	196,731	198,257
Deferred tax liabilities	2,789,404	2,916,707
Post employment benefit obligations	248,066	253,145
	<u>26,884,201</u>	<u>27,576,464</u>
<b>Current Liabilities</b>		
Trade & other payables	2,580,596	2,708,176
Derivative financial instruments	65,771	110,135
Amount due to related parties	17,805	6,572
Bonds & borrowings	4,750,704	4,339,794
Current tax liabilities	277,952	222,555
Provision for liabilities & charges	47,204	49,752
	<u>7,740,032</u>	<u>7,436,984</u>
<b>TOTAL LIABILITIES</b>	<u>34,624,233</u>	<u>35,013,448</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<u>45,316,366</u>	<u>45,413,832</u>
Net Assets per 50 sen share (RM)	<u>5.31</u>	<u>5.37</u>

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	← Attributable to Shareholders of the Company →					Total	Minority interests	Total equity
	Share capital	Share premium	Retained profits	Treasury shares	Other reserves			
<b>Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance at 1.7.2009	948,496	1,503,558	7,997,434	(892,549)	(109,774)	9,447,165	953,219	10,400,384
Currency translation differences	-	-	-	-	(131,192)	(131,192)	(27,837)	(159,029)
Equity component of Ex. Bonds	-	-	-	-	(1,394)	(1,394)	-	(1,394)
Gain recognised on deemed dilution of interest in subsidiaries	-	-	8,716	-	-	8,716	(8,734)	(18)
Income and expenses recognised directly in equity	-	-	8,716	-	(132,586)	(123,870)	(36,571)	(160,441)
Net profit for the period	-	-	207,514	-	-	207,514	172,190	379,704
Total recognised income and expenses for the period	-	-	216,230	-	(132,586)	83,644	135,619	219,263
Share buyback	-	-	-	(2,022)	-	(2,022)	(21)	(2,043)
Distribution of treasury shares	-	(229,873)	-	228,856	-	(1,017)	-	(1,017)
Issue of share capital	864	7,433	-	-	(1,026)	7,271	-	7,271
Share options granted	-	-	-	-	3,220	3,220	-	3,220
Changes in composition of the Group	-	-	-	-	-	-	65,055	65,055
Balance at 30.9.2009	949,360	1,281,118	8,213,664	(665,715)	(240,166)	9,538,261	1,153,872	10,692,133

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2008**

	← Attributable to Shareholders of the Company →					Total	Minority interests	Total equity
	Share capital	Share premium	Retained profits	Treasury shares	Other reserves			
<b>Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance at 1.7.2008	816,101	513,721	7,072,154	(889,671)	202,115	7,714,420	3,931,417	11,645,837
Currency translation differences	-	-	-	-	(287,067)	(287,067)	(154,345)	(441,412)
Equity component of Ex. Bonds	-	-	-	-	9,020	9,020	-	9,020
Gain recognised on deemed dilution of interest in subsidiaries	-	-	22,062	-	-	22,062	(21,979)	83
Income and expenses recognised directly in equity	-	-	22,062	-	(278,047)	(255,985)	(176,324)	(432,309)
Net profit for the period	-	-	252,367	-	-	252,367	216,000	468,367
Total recognised income and expenses for the period	-	-	274,429	-	(278,047)	(3,618)	39,676	36,058
Share buyback	-	-	-	(492)	-	(492)	(52,258)	(52,750)
Issue of share capital	404	3,094	-	-	2,816	6,314	-	6,314
Changes in composition of the Group	-	-	-	-	-	-	436,925	436,925
Balance at 30.9.2008	816,505	516,815	7,346,583	(890,163)	(73,116)	7,716,624	4,355,760	12,072,384

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009**

	<b>FOR THE 3 MONTHS ENDED</b>	
	<b>30.9.2009</b>	<b>30.9.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Net cash from operating activities	463,288	596,363
Net cash used in investing activities	(673,042)	(1,037,971)
Net cash from financing activities	346,268	1,386,661
Net changes in cash and cash equivalents	136,514	945,053
Cash and cash equivalents brought forward	9,071,219	11,672,974
Cash and cash equivalents carried forward	<u>9,207,733</u>	<u>12,618,027</u>

Cash and cash equivalents comprise:

	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits	8,715,772	12,486,874
Cash and bank balances	505,018	170,809
Bank overdraft	(13,057)	(39,656)
	<u>9,207,733</u>	<u>12,618,027</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.



**INTERIM FINANCIAL REPORT**

**Notes:-**

**Disclosure requirements pursuant to FRS 134 – paragraph 16**

The Condensed Financial Statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 30 June 2009.

**A1. Accounting Policies and Methods of Computation**

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

The accounting policies and methods of computation adopted by the Group in the interim financial report are consistent with those adopted for the annual audited financial statements for the year ended 30 June 2009, except for the adoption of FRS 8, Operating Segments and early adoption of Amendments to FRS 8, Operating Segments effective from the financial period beginning 1 July 2009.

Comparative segment information has been re-presented. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no financial impact on the Group.

**A2. Seasonality or Cyclicity of Operations**

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

**A3. 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.

**A4. Changes in estimates of amounts reported**

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

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**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) During the current financial quarter and financial year to date, 1,729,000 ordinary shares of RM0.50 each were issued pursuant to the exercise of employees' share options granted under the Company's Employees Share Option Scheme (ESOS) at a weighted average exercise price of RM4.80 per share.
- (ii) During the current financial quarter and current financial year to date, the Company repurchased a total of 274,400 ordinary shares of RM0.50 each of its issued share capital from the open market for a total consideration including transaction costs of RM2,022,242, at an average cost of RM7.37 per share. The repurchase of shares were financed by internally generated funds.
- (iii) During the current financial quarter and financial year to date, a total of 35,219,196 treasury shares were distributed as share dividend on 18 September 2009 to the shareholders on the basis of one (1) treasury share for every fifty (50) ordinary shares held on 9 September 2009. As at 30 September 2009, the total number of treasury shares held was 102,501,809 ordinary shares.

**A6. Dividend paid**

There was no dividend paid during the current quarter ended 30 September 2009.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**A7. Segment Reporting - continued**

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

The Group's segmental report for the period ended 30 September 2009 is as follows:-

	Construction	Information technology & e-commerce related business	Cement Manufacturing & trading	Property investment & development	Management services & others	Hotels	Utilities	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>External revenue</b>	89,524	5,308	463,375	51,245	106,242	36,602	3,177,784	-	3,930,080
<b>Inter-segment revenue</b>	19,035	7,228	47,019	77,772	65,569	1,149	-	(217,772)	-
<b>Total revenue</b>	108,559	12,536	510,394	129,017	171,811	37,751	3,177,784	(217,772)	3,930,080
<b>Segment results</b>									
Profit from operations	5,250	603	116,503	25,717	79,438	2,588	482,381	-	712,480
Finance costs									(278,120)
									434,360
Share of profit of associated companies									68,791
Profit before taxation									503,151

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

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**A7. Segment Reporting**

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

The Group's segmental report for the period ended 30 September 2008 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	Elimination RM'000	Total RM'000
<b>External revenue</b>	79,324	7,886	505,290	30,458	111,578	41,062	963,614	-	1,739,212
<b>Inter-segment revenue</b>	4,191	1,702	44,938	64,375	75,410	2,448	-	(193,064)	-
<b>Total revenue</b>	83,515	9,588	550,228	94,833	186,988	43,510	963,614	(193,064)	1,739,212
<b>Segment results</b>									
Profit from operations	997	3,353	126,178	20,373	12,035	2,717	395,088	-	560,741
Finance costs									(278,178)
									282,563
Fair value gain on investment properties									254,360
Share of profit of associated companies									32,824
Profit before taxation									569,747

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**A8. Changes in the Composition of the Group**

There were no significant changes in the composition of the Group for the current financial quarter ended 30 September 2009, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations except for the following:-

- (i) For the current quarter and financial period to date, YTL Power International Berhad (“YTL Power”) repurchased a total of 21,000 ordinary shares of RM0.50 each of its issued share capital from the open market for a total consideration including transaction costs of RM45,903, at an average cost of RM2.19 per share. The repurchase of shares were financed by internally generated funds. As at 30 September 2009, the total number of treasury shares held was 56,672,745 ordinary shares of RM0.50 each.
- (ii) During the current quarter and financial period to date, 36,240,367 ordinary shares of RM0.50 each were issued by YTL Power pursuant to the exercise of warrants 2000/2010 at a weighted average exercise price of RM1.19 per share.

During the current quarter and financial period to date, 15,733,854 ordinary shares of RM0.50 each were issued by YTL Power pursuant to the exercise of warrants 2008/2018 at a weighted average exercise price of RM1.21 per share.

- (iii) For the current quarter and financial period to date, 318,000 ordinary shares of RM0.50 each were issued by YTL Power pursuant to the exercise of ESOS at a weighted average exercise price of RM1.41 per share.
- (iv) For the current quarter and financial period to date, a total of 18,000 and 25,000 ordinary shares of RM0.50 each was issued by YTL Cement Berhad (“YTL Cement”) pursuant to the exercise of ESOS at an average exercise price of RM1.21 and RM2.08 respectively.
- (v) During the current quarter and financial period to date, YTL Cement repurchased a total of 22,600 ordinary shares of RM0.50 each from the open market for a total consideration including transaction costs of RM92,728 at an average cost of RM4.10 per share. The share buy-back was financed by internally generated funds. As at 30 September 2009, the total number of treasury shares held was 21,231,564 ordinary shares.
- (vi) During the current financial quarter and financial period to date, the share capital of YTL Land and Development Berhad (“YTL L&D”) increased from RM398,779,863 to RM398,907,490 as a result of the conversion of 995,500 Irredeemable Convertible Preference Shares (“ICPS”) of RM0.50 each into 255,255 new ordinary shares of RM0.50 each based on a conversion ratio of one (1) new ordinary share of RM0.50 each for every 3.90 of ICPS of RM0.50 each.

The total number of ICPS outstanding as at 30 September 2009 was 180,594,452 of RM0.50 each.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

- (vii) During the current quarter and financial period to date, YTL eSolutions Berhad (“YTLE”) repurchased a total of 1,100 ordinary shares of RM0.10 each from the open market for a total consideration of RM659 at an average price of RM0.60 respectively. The share buy-back was financed by internally generated funds. As at 30 September 2009, the total number of treasury shares held was 4,672,300 ordinary shares.
- (viii) On 14 September 2009, YTL Power has incorporated a wholly-owned subsidiary in Singapore known as YTL DCS Pte Ltd (“YTL DCS”) with an issued and paid-up share capital of S\$1.00 comprising 1 ordinary share. YTL DCS is intended to be principally involved in investment holding.

The incorporation of YTL DCS does not expect to have any material effect on the earnings, net assets and gearing of the Group for the current financial year.

**A9. Changes in Contingent Liabilities or Contingent Assets**

Since the last annual balance sheet as at 30 June 2009, there were no changes in the contingent liabilities of the Group except for the following:-

As at 30 September 2009, the Company had given corporate guarantees to financial institutions for facilities granted by the financial institutions to its subsidiaries as follows:-

	<b>Total Amount Guaranteed RM’000</b>	<b>Amount Utilised RM’000</b>
Bank overdrafts	20,200	247
Letters of credit/trust receipts/bankers acceptances/ shipping guarantees	143,300	64,869
Revolving credits/term loans	101,031	61,627
Bankers’ guarantees	86,000	34,762
	<u>350,531</u>	<u>161,505</u>
	<b>S\$’000</b>	<b>S\$’000</b>
Term loans	633,157	603,593
Bankers’ guarantees	13,000	5,366
	<u>646,157</u>	<u>608,959</u>
	<b>US\$’000</b>	<b>US\$’000</b>
Exchangeable Bonds due 2012	300,000	300,000

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**A10. Subsequent Events**

There was no item, transaction or event of a material or unusual in nature during the period from the end of the quarter under review to 18 November 2009 except for the following:-

- (i) YTL Hotels & Properties Sdn Bhd (“YTLHP”), a wholly-owned subsidiary of the Company, has on 5 October 2009 completed its acquisition of 80,000 ordinary shares of RM1.00 each representing 80% of the issued and paid-up share capital of Borneo Island Villas Sdn Bhd (“BIV”). As a result, BIV has become an indirect subsidiary of the Company.
- (ii) On 7 October 2009, YTL Cement (Hong Kong) Limited, a wholly-owned subsidiary of YTL Cement acquired 1 ordinary share of the par value US\$1.00 representing the entire issued and paid-up share capital of Industrial Procurement Limited (“Industrial Procurement”) for US\$1.00. As a result, Industrial Procurement became an indirect subsidiary of the Company.

Industrial Procurement was incorporated in the Cayman Islands with an authorised share capital of US\$50,000 comprising 50,000 shares of US\$1.00 each. Industrial Procurement will be principally involved in procurement of machinery and industrial equipment, and investment holding.

- (iii) On 12 October 2009, YTL Cement announced that its wholly-owned subsidiary, Buildcon Concrete Enterprise Sdn Bhd (“BCE”) has given its consent to the application by Specialist Cement Sdn Bhd (“Specialist Cement”), an 85% owned subsidiary of BCE, for strike-off of Specialist Cement’s name from the companies register under Section 308 of the Malaysian Companies Act, 1965.

Specialist Cement was previously involved in the manufacture and sale of dry concrete products and has remained inactive since ceasing business in 2004.

- (iv) On 27 October 2009, the Company acquired 2 ordinary shares of RM1.00 each representing the entire issued and paid-up share capital of Cornerstone Crest Sdn Bhd (“Cornerstone Crest”) for a cash consideration of RM2.00. As a result, Cornerstone Crest has become a wholly-owned subsidiary of the Company.

Cornerstone Crest was incorporated on 24 July 2009 and is intended to be principally involved in investment holding.

- (v) On 27 October 2009, Star Hill Living.Com Sdn Bhd, a wholly-owned subsidiary of Cane Creations Sdn Bhd which in turn is a wholly-owned subsidiary of the Company acquired 2 ordinary shares of RM1.00 each representing the entire issued and paid-up share capital of Trendy Retailing Sdn Bhd (“Trendy Retailing”) for a cash consideration of RM2.00. As a result, Trendy Retailing became an indirect wholly-owned subsidiary of the Company.

Trendy Retailing was incorporated on 1 October 2009 and will be principally involved in the retailing business.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

- (vi) On 30 October 2009, YTL Hotels (Cayman) Limited, an indirect wholly-owned subsidiary of the Company subscribed for 510 ordinary shares representing 51% of the issued and paid-up share capital of M Hotel Management Pte Ltd (“M Hotel”) for a consideration of S\$510.00. As a result, M Hotel became an indirect subsidiary of the Company.

M Hotel was incorporated in Singapore on 30 October 2009 and has an issued and paid-up share capital of S\$1,000.00 comprising 1,000 ordinary shares. M Hotel will be principally involved in hotel management services.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



## **INTERIM FINANCIAL REPORT**

**Notes: - continued**

### **Disclosure requirements per Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

#### **B1. Review of Performance**

The Group recorded a revenue for the current financial quarter of RM3,930.8 million representing an increase of 126.0%. The increase in revenue was substantially due to the consolidation of the newly acquired PowerSeraya Limited Group in Singapore by YTL Power.

Profit before taxation for the current financial quarter increased to RM503.2 million representing an increase of 59.5% when compared to the preceding year corresponding quarter ended 30 September 2008 of RM315.4 million (after adjusting for the fair value gain on investment properties amounting to RM254.5 million recognized).

#### **B2. Comparison with Preceding Quarter**

	<b>Current Quarter 30.9.2009 RM'000</b>	<b>Preceding Quarter 30.6.2009 RM'000</b>
Revenue	3,930,080	3,597,378
Consolidated profit before taxation	503,151	702,108
Consolidated profit after taxation attributable to shareholders	207,514	75,973

For the current financial quarter, Group revenue increased by 9.2% whilst the profit before taxation decreased by 28.3% when compared to the preceding quarter ended 30 June 2009. The increase in revenue was substantially due to better performance of the utility division whilst the decline in profit before taxation was principally due to adjustments made in the preceding quarter relating to fuel oil provision written back by YTL Power.

#### **B3. Audit Report of the preceding financial year ended 30 June 2009**

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

#### **B4. 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 2010.

#### **B5. Profit Forecast**

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

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B6. Taxation**

Taxation comprises the following:-

	<b>Current Year Quarter 30.9.2009 RM'000</b>	<b>Preceding Year Corresponding Quarter 30.9.2008 RM'000</b>	<b>Current Year To Date 30.9.2009 RM'000</b>	<b>Preceding Year Corresponding Period 30.9.2008 RM'000</b>
Taxation based on profit for the period	124,524	71,125	124,524	71,125
In respect of prior years				
- Income tax	-	7	-	7
Deferred taxation	(1,077)	30,248	(1,077)	30,248
	<u>123,447</u>	<u>101,380</u>	<u>123,447</u>	<u>101,380</u>

The provision for taxation of the Group for the current financial quarter reflects an effective tax rate lower than the Statutory Income Tax Rate due primarily to the effective rate approximates to the statutory income tax of the countries where the Group operate and also due to the availability of reinvestment allowances and tax losses brought forward for some of its subsidiaries.

**B7. Sales of Unquoted Investment and /or Properties**

There was no sale of unquoted investments or properties during current financial quarter.

**B8. Quoted Securities**

(a) Particulars of investment in quoted securities as at 30 September 2009:

	<b>RM'000</b>
- At cost	22,686
- At carrying value	22,686
- At market value	<u>21,613</u>

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B9. Corporate Developments**

**(a) Corporate Proposals Announced and Pending Completion**

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

- (i) In relation to the proposed issue by YTL Cement via a wholly-owned subsidiary to be incorporated in the Federal Territory of Labuan, of up to USD200 million nominal value five-year guaranteed Exchangeable Bonds which are exchangeable into new ordinary shares of RM0.50 each in YTL Cement (“the Proposed Exchangeable Bonds Issue”), the Securities Commission, vide its letter dated 9 November 2009, granted YTL Cement an extension of time until 4 April 2010 to complete the issue of the Proposed Exchangeable Bonds.
- (ii) Pintar Projek Sdn Bhd, the manager of Starhill REIT, had on 18 November 2009 announced that Mayban Trustees Berhad, the trustee of Starhill REIT has entered into Heads of Agreement in relation to the proposed disposal of Starhill Gallery and the Lot 10 Property (“Proposed Disposal”) for a sale consideration of RM1,030,000,000, to be satisfied via cash and/or convertible preference units pursuant to a proposed rationalisation exercise to reposition Starhill REIT as global hospitality REIT.

The Proposed Disposal is pending the approval of the Securities Commission, unitholders and all relevant authorities, where required.

**B10. Group Borrowings and Debt Securities**

Particulars of the Group’s borrowings and debts securities as at 30 September 2009 are as follows:-

		<b>RM’000</b>
(i)	Short term	
	- Secured	602,244
	- Unsecured	4,148,460
		<hr/> 4,750,704 <hr/>
		<b>RM’000</b>
(ii)	Long term	
	- Secured	3,645,302
	- Unsecured	19,907,444
		<hr/> 23,552,746 <hr/>

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

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

In Singapore Dollar ('000)	2,630,992
In US Dollar ('000)	616,186
In Sterling Pound ('000)	1,551,372

Save for the borrowings of RM126.743 million and S\$603.593 million by the subsidiary companies of which corporate guarantees are provided by the Company, all other borrowings of subsidiary companies are on a non-recourse basis to the Company.

**B11. Off Balance Sheet Financial Instruments**

(a) Fuel oil swaps

The Group entered into fuel oil swaps to hedge highly probable forecast physical fuel oil and natural gas purchases that are expected to occur at various dates in the future. The fuel oil swaps have maturity dates that match the expected occurrence of these transactions.

As at 13 November 2009, the Group's outstanding fuel oil swaps are as follows:

Type of contract	Outstanding Quantity In Metric Ton	Notional Amount			Fair value RM'000	Maturity date
		Maturities				
		Within 1 year RM'000	1 year or more RM'000	Total RM'000		
"Buy" fuel oil swaps	442,300	523,459	60,101	583,560	634,552	30 November 2009 to 31 December 2011
"Sell" fuel oil swaps	67,000	104,819	-	104,819	104,534	30 November 2009 to 30 June 2010

(b) Currency forwards

The Group entered into currency forwards to hedge highly probable forecast transactions denominated in foreign currency expected to occur in the future. The currency forwards have maturity dates that match the expected occurrence of these transactions.

**INTERIM FINANCIAL REPORT**

**Notes – continued**

As at 13 November 2009, the Group's outstanding currency forwards are as follows:

Nature of Forecast transactions	Foreign Currency	Foreign Currency Amount '000	Notional Amount			Fair value RM'000	Maturity date
			Maturities				
			Within 1 year RM'000	1 year or more RM'000	Total RM'000		
Fuel oil and natural gas	Buy USD	157,680	520,256	39,554	559,810	541,302	13 November 2009 to 14 December 2011
Fuel oil and natural gas	Sell USD	9,385	33,007	-	33,007	32,209	2 December 2009 to 14 January 2010
Capital Projects	Buy USD	16,976	59,833	-	59,833	58,351	1 December 2009 to 1 July 2010
Capital Projects	Buy EURO	33,247	161,333	-	161,333	168,708	1 December 2009 to 2 August 2010
Capital Projects	Buy JPY	28,117	1,045	-	1,045	1,060	1 December 2009 to 4 January 2010
Capital Projects	Buy CHF	18	62	-	62	62	20 November 2009

(c) Interest rate swaps

Interest rate swaps are entered to hedge floating rate interest payments on bank borrowings which were obtained to finance acquisition of subsidiaries and for the construction of property, plant and equipment.

The interest rate swaps as at 13 November 2009 are as follows:

Interest Rate Swap	Weighted Average Rate per annum	Notional Amount RM'000	Fair Value RM'000	Effective Period
Plain Vanilla	2.89%	614,325	597,698	28 February 2008 to 28 August 2014
Plain Vanilla	0.92%	1,855,262	1,849,710	7 September 2009 to 6 September 2010

**B12. Material litigation**

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

**B13. Dividend**

The Board of Directors has not recommended any interim dividend for the current quarter or financial period to date.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B14. 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:-

	<b>Current Quarter 30.9.2009</b>	<b>Preceding Year Corresponding Quarter 30.9.2008</b>
Profit attributable to shareholders (RM'000)	207,514	252,367
<i>Weighted average number of ordinary shares ('000)</i>		
Issued at the beginning of the year	1,897,765	1,632,372
Shares repurchased	(125,832)	(137,025)
	1,771,933	1,495,347
Basic earnings per share (sen)	11.71	16.88

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B14. 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:-

	<b>Current Quarter 30.9.2009</b>	<b>Preceding Year Corresponding Quarter 30.9.2008</b>
Profit attributable to shareholders (RM'000)	207,514	252,367
<hr/>		
<i>Weighted average number of ordinary shares-diluted ('000)</i>		
Weighted average number of ordinary shares-basic	1,771,933	1,495,347
Effect of unexercised warrants	-	86,631
Effect of unexercised employees share option scheme	14,231	11,364
	<hr/> 1,786,164	<hr/> 1,593,342
	<hr/>	
* Diluted earnings per share (sen)	11.62	15.84
	<hr/>	

\* *Total cash expected to be received in the event of an exercise of all ESOS options is RM214.876 million. Accordingly, the Net Asset (NA) on a proforma basis will increase by RM214.876 million resulting in an increase in NA per share of RM0.12. In arriving at the Diluted earnings per share, NA and NA per share, no income has been accrued for the cash proceeds.*

By Order of the Board  
HO SAY KENG  
Secretary

Kuala Lumpur  
Dated: 19 November 2009