

**YTL CORPORATION BERHAD**

Company No. 92647-H  
Incorporated in Malaysia

**Interim Financial Report**  
**31 March 2012**

**YTL CORPORATION BERHAD**  
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Incorporated in Malaysia

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

**INTERIM FINANCIAL REPORT**

Interim financial report on consolidated results for the financial period ended 31 March 2012.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.03.2012 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.03.2011 RM'000	9 MONTHS ENDED 31.03.2012 31.03.2011 RM'000 RM'000	
<b>REVENUE</b>	5,239,763	4,241,748	15,108,006	13,146,427
COST OF SALES	(4,145,614)	(3,069,364)	(11,953,137)	(10,035,732)
GROSS PROFIT	1,094,149	1,172,384	3,154,869	3,110,695
OTHER OPERATING EXPENSES	(261,651)	(399,436)	(898,688)	(1,076,621)
OTHER OPERATING INCOME	44,153	59,485	153,628	275,003
<b>PROFIT FROM OPERATIONS</b>	876,651	832,433	2,409,809	2,309,077
FINANCE COSTS	(240,418)	(275,570)	(761,282)	(768,512)
SHARE OF PROFITS OF ASSOCIATED COMPANIES	58,133	69,725	186,085	190,731
<b>PROFIT BEFORE TAXATION</b>	694,366	626,588	1,834,612	1,731,296
TAXATION	(166,329)	(144,295)	(472,624)	(447,754)
<b>PROFIT FOR THE PERIOD</b>	528,037	482,293	1,361,988	1,283,542
<b>ATTRIBUTABLE TO:</b>				
OWNERS OF THE PARENT	364,824	312,055	854,039	755,143
NON-CONTROLLING INTERESTS	163,213	170,238	507,949	528,399
<b>PROFIT FOR THE PERIOD</b>	528,037	482,293	1,361,988	1,283,542
<b>EARNINGS PER 10 SEN SHARE*</b>				
Basic (Sen)	3.85	3.48*	9.22	8.42*
Diluted (Sen)	3.85	3.45*	9.22	8.35*

\* On 29 April 2011, the subdivision of the Company's ordinary shares of RM0.50 each into ordinary shares of RM0.10 each was completed with the listing of and quotation for the new shares on the Main Market of Bursa Malaysia Securities Berhad. The earnings per share calculated above is based on the subdivided shares of the Company.

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	9 MONTHS ENDED	
	YEAR	CORRESPONDING	31.03.2012	31.03.2011
	QUARTER	QUARTER	RM'000	RM'000
<b>PROFIT FOR THE PERIOD</b>	528,037	482,293	1,361,988	1,283,542
<b>OTHER COMPREHENSIVE INCOME:</b>				
AVAILABLE-FOR-SALE FINANCIAL ASSETS	(19,022)	60,033	(17,389)	85,954
CASHFLOW HEDGES	(12,740)	124,723	(3,724)	195,868
SHARE OF OTHER COMPREHENSIVE EXPENSE OF ASSOCIATED COMPANY	6,779	-	14,084	-
CURRENCY TRANSLATION DIFFERENCES	35,492	122,006	3,181	322,007
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	10,509	306,762	(3,848)	603,829
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	538,546	789,055	1,358,140	1,887,371
<b>ATTRIBUTABLE TO:</b>				
OWNERS OF THE PARENT	352,249	499,002	840,798	1,075,379
NON-CONTROLLING INTERESTS	186,297	290,053	517,342	811,992
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	538,546	789,055	1,358,140	1,887,371

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>31.03.2012</b>	<b>30.6.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant & equipment	20,463,838	19,774,461
Investment properties	342,150	137,484
Investment in associated companies & joint controlled entity	2,762,629	2,854,405
Investments	681,127	696,606
Development expenditure	1,052,760	960,717
Intangible assets	4,522,151	4,569,986
Biological assets	1,316	1,128
Other receivables & other non-current assets	98,931	73,316
Derivative financial instruments	12,385	2,611
	<u>29,937,287</u>	<u>29,070,714</u>
<b>Current Assets</b>		
Inventories	781,409	835,802
Property development costs	1,461,808	1,485,700
Trade, other receivables & other current assets	4,216,175	3,911,601
Derivative financial instruments	157,622	95,904
Income tax assets	46,627	50,233
Amount due from related parties	41,377	21,798
Short term investments	568,400	554,925
Fixed deposits	13,059,505	11,478,146
Cash & bank balances	895,750	761,362
	<u>21,228,673</u>	<u>19,195,471</u>
<b>TOTAL ASSETS</b>	<u><u>51,165,960</u></u>	<u><u>48,266,185</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>31.03.2012</b>	<b>30.6.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>EQUITY</b>		
Share capital	1,040,124	952,802
Share premium	1,473,833	1,317,192
Other reserves	(366,498)	(415,426)
Retained profits	10,217,582	9,233,901
Less : Treasury shares, at cost	(968,753)	(722,616)
<b>Total Equity Attributable to Owners of the Parent</b>	<u>11,396,288</u>	<u>10,365,853</u>
<b>Non-Controlling Interest</b>	<u>2,806,139</u>	<u>2,171,082</u>
<b>TOTAL EQUITY</b>	<u>14,202,427</u>	<u>12,536,935</u>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Long term payables & other non-current liabilities	137,830	125,540
Bonds & borrowings	17,828,306	17,810,620
Deferred income	250,066	256,834
Deferred tax liabilities	2,784,376	2,785,365
Provision for liabilities & charges	99,247	132,769
Derivative financial instruments	21,128	19,989
	<u>21,120,953</u>	<u>21,131,117</u>
<b>Current Liabilities</b>		
Trade & other payables & other current liabilities	3,747,109	3,518,850
Derivative financial instruments	235,146	248,648
Amount due to related parties	13,953	3,501
Bonds & borrowings	11,418,937	10,440,536
Income tax liabilities	422,295	359,329
Provision for liabilities & charges	5,140	27,269
	<u>15,842,580</u>	<u>14,598,133</u>
<b>TOTAL LIABILITIES</b>	<u>36,963,533</u>	<u>35,729,250</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<u>51,165,960</u>	<u>48,266,185</u>
Net Assets per 10 sen share (RM)	<u>1.18</u>	<u>1.15</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 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 FINANCIAL PERIOD ENDED 31 MARCH 2012**

Group	Attributable to Owners of the Parent					Total	Non-Controlling interests	Total equity
	Share capital	Share premium	Retained profits	Treasury shares	Other reserves			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1.07.2011	952,802	1,317,192	9,233,901	(722,616)	(415,426)	10,365,853	2,171,082	12,536,935
Profit for the period	-	-	854,039	-	-	854,039	507,949	1,361,988
Other Comprehensive Income								
- Available-for-Sale Financial Assets					(12,777)	(12,777)	(4,612)	(17,389)
- Cash Flow Hedges					(63,265)	(63,265)	59,541	(3,724)
- Share of Other Comprehensive expense of associated company					14,084	14,084	-	14,084
- Currency Transilation Differences	-	-	-	-	48,717	48,717	(45,536)	3,181
Total Comprehensive Income for the period	-	-	854,039	-	(13,241)	840,798	517,342	1,358,140
Gain recognised on deemed dilution of interest in subsidiaries	-	-	13,269	-	-	13,269	(13,269)	-
Share buyback	-	-	-	(246,137)	-	(246,137)	-	(246,137)
Issue of share capital	87,322	156,641	-	-	-	243,963	-	243,963
Warrant reserve	-	-	-	-	(542)	(542)	-	(542)
Share options granted	-	-	-	-	16,972	16,972	-	16,972
Dividend paid	-	-	(181,900)	-	-	(181,900)	-	(181,900)
Dividend paid to non-controlling interest	-	-	-	-	-	-	(213,686)	(213,686)
Changes in composition of the Group	-	-	298,273	-	45,739	344,012	344,670	688,682
Balance at 31.03.2012	1,040,124	1,473,833	10,217,582	(968,753)	(366,498)	11,396,288	2,806,139	14,202,427

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 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 FINANCIAL PERIOD ENDED 31 MARCH 2011**

Group	Attributable to Owners of the Parent					Total	Non-Controlling interests	Total equity
	Share capital	Share premium	Retained profits	Treasury shares	Other reserves			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1.07.2010								
As previously reported	950,109	1,292,354	8,814,835	(687,121)	(646,255)	9,723,922	1,701,456	11,425,378
Effects of adoption of FRS 139	-	-	(374,953)	-	(60,611)	(435,564)	-	(435,564)
At 1.07.2010, as restated	950,109	1,292,354	8,439,882	(687,121)	(706,866)	9,288,358	1,701,456	10,989,814
Profit for the period	-	-	755,143	-	-	755,143	528,399	1,283,542
Other Comprehensive Income	-	-	-	-	320,236	320,236	283,593	603,829
Total Comprehensive Income for the period	-	-	755,143	-	320,236	1,075,379	811,992	1,887,371
Equity component of Ex. Bonds	-	-	-	-	(48,044)	(48,044)	-	(48,044)
Gain recognised on deemed dilution of interest in subsidiaries	-	-	(630)	-	-	(630)	(21,904)	(22,534)
Share buyback	-	-	-	(22,970)	-	(22,970)	-	(22,970)
Dividend paid	-	-	(134,525)	-	-	(134,525)	-	(134,525)
Distribution of treasury shares	-	-	-	-	-	-	-	-
Issue of share capital	917	7,909	-	-	-	8,826	-	8,826
Warrant reserve	-	-	-	-	(1,408)	(1,408)	-	(1,408)
Share options granted	-	-	-	-	3,876	3,876	-	3,876
Dividend paid to minority interest	-	-	-	-	-	-	(297,523)	(297,523)
Changes in composition of the Group	-	-	-	-	49,366	49,366	(174,594)	(125,228)
Balance at 31.03.2011	951,026	1,300,263	9,059,870	(710,091)	(382,840)	10,218,228	2,019,427	12,237,655

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2012**

	<b>FOR THE 9 MONTHS ENDED</b>	
	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	1,834,612	1,731,296
Gain on disposal of property, plant & equipment	(6,969)	(2,383)
Allowance for doubtful debts	34,014	-
Depreciation of property, plant and equipment	935,368	772,393
Dividend income	(27,852)	(26,840)
Gain on disposal of investments	(5,637)	(5,340)
Interest expenses	761,282	768,512
Interest income	(145,934)	(137,975)
(Written back of provision)/ provision for liabilities and charges	(17,343)	45,999
Share of results of associated companies	(186,085)	(190,731)
Unrealised loss/(gain) on foreign exchange- net	38,207	(100,705)
Others non-cash item	(5,425)	1,035
	<u>3,208,238</u>	<u>2,855,261</u>
<b>Changes in working capital</b>		
Inventories	77,068	(230,967)
Receivables, deposits and prepayments	(147,455)	425,888
Payable and accrued expenses	242,874	512,191
Net changes in inter-co balances	4,303	(17,687)
	<u>3,385,028</u>	<u>3,544,686</u>
<b>Cash generated from operation</b>		
Dividend received	125,616	9,983
Interest paid	(509,898)	(526,609)
Interest received	126,590	94,469
Income tax refund	28,467	-
Income tax paid	(473,600)	(298,059)
Payment of retirement benefit	(79,975)	(73,920)
	<u>2,602,228</u>	<u>2,750,550</u>
<b>Net Cash flow from operating activities</b>		

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2012 - continued**

	<b>FOR THE 9 MONTHS ENDED</b>	
	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Acquisition of additional shares/warrants in existing subsidiaries	(391,502)	-
Development expenditures incurred	(93,905)	(33,244)
Dividend received	158,986	86,837
Further investment in associate	(12,751)	-
Grant received in respect of infrastructure assets	21,353	21,542
Proceeds from disposal of investment	-	3,924
Proceeds from disposal of property, plant & equipment	168,554	5,458
Proceeds from disposal shares in existing subsidiaries	-	10,541
Purchase of property, plant and equipment	(1,545,337)	(1,462,398)
Purchase of short term investment	(37,252)	(11,774)
Purchase of other intangible	-	(189,372)
Purchase of investment properties	-	(18,280)
Purchase of investment	-	(216,794)
Other investing activities	9,949	87
<b>Net cash from investing activities</b>	<u>(1,721,905)</u>	<u>(1,803,473)</u>

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2012 - continued**

	<b>FOR THE 9 MONTHS ENDED</b>	
	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Disposal of subsidiaries interest to NCI	543,239	-
Dividends paid	(181,900)	(134,525)
Dividend paid to Minority shareholders of subsidiaries	(213,686)	(297,524)
Proceeds from Bankers Acceptance	59,818	-
Proceeds from issue of bonds	962,964	-
Proceeds from borrowings	9,629,378	4,005,919
Proceeds from issue of shares	243,963	1,343
Redemption of bond	(2,200,000)	-
Repayment from bonds & borrowings	(7,654,450)	(3,527,326)
Repayment of Bankers Acceptance	(40,370)	-
Repurchase of own shares by the Company (net)	(246,137)	(22,970)
Others financial activities	(22,916)	(58,710)
<b>Net cash from financing activities</b>	<u>879,903</u>	<u>(33,793)</u>
Net changes in cash & cash equivalents	1,760,226	913,284
Effects of exchange rate changes	(51,528)	108,068
Cash and cash equivalents brought forward	12,189,844	11,046,029
	<u>13,898,542</u>	<u>12,067,381</u>
<b>Cash and cash equivalent comprise :</b>		
Fixed Deposit with licensed bank	13,059,505	11,552,679
Cash and bank balances	895,750	568,365
Bank Overdraft	(56,713)	(53,663)
	<u>13,898,542</u>	<u>12,067,381</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 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 consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2011.

**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 paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The explanatory notes contained herein provide an explanation of 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 2011.

The accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the latest audited annual financial statements except for the adoption of the Amendments to FRSs and Interpretation Committee (“IC”) Interpretations that are applicable to the Group for financial period beginning 1 July 2011.

The adoption of the new and revised FRSs, amendments to FRSs and IC Interpretations does not have any significant impact to the financial statements of 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 significant change in estimates of amounts reported in prior interim periods or prior financial years.

**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) For the current financial year to date, a total of 182,107,000 ordinary shares of RM0.10 each were issued pursuant to the exercise of employees' share options granted under the Company's ESOS at a weighted average exercise price of RM0.96 per share.
- (ii) For the current financial quarter and financial year to date, 691,113,361 ordinary shares of RM0.10 each were issued in exchange of YTL Cement Berhad's ordinary shares and ICULS at an issue price of RM1.42 per share, pursuant to the conditional share exchange offer by YTL Industries Berhad, a wholly-owned subsidiary of the Company.
- (iii) For the current financial quarter and financial year to date, the Company repurchased 52,695,000 and 162,244,600 ordinary shares of RM0.10 each of its issued share capital from the open market, at an average cost of RM1.66 and RM1.52 per share, respectively. The total consideration paid for the share buy-back, including transaction costs during the current financial quarter and financial year to date amounted to RM87,237,806 and RM246,136,750, respectively and were financed by internally generated funds. The repurchase of shares are held as treasury shares in accordance with the requirements of Section 6A of the Companies Act, 1965. As at 31 March 2012, the total number of treasury shares held was 711,557,145 ordinary shares of RM0.10 each.

**A6. Dividend paid**

An interim single tier dividend of 20% or 2 sen per ordinary share of RM0.10 amounting to RM181,900,441 in respect of financial year ended 30 June 2011 was paid on 24 November 2011.

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

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**A7. Segment Information**

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

The Group's segmental result for the financial period ended 31 March 2012 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>	228,006	4,072	1,791,325	860,167	352,705	235,341	11,636,390	-	15,108,006
<b>Inter-segment revenue</b>	81,483	59,671	1,301	44,707	88,984	17,339	-	(293,485)	-
<b>Total revenue</b>	309,489	63,743	1,792,626	904,874	441,689	252,680	11,636,390	(293,485)	15,108,006
<b>Segment results</b>									
Profit from operations	78,832	2,850	422,623	170,720	128,713	15,939	1,590,132	-	2,409,809
Finance costs									(761,282)
									1,648,527
Share of profit of associated companies									186,085
Profit before taxation									1,834,612

**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 result for the financial period ended 31 March 2011 is as follows:-

	Construction <b>RM'000</b>	technology & e-commerce related business <b>RM'000</b>	Cement Manufacturing & trading <b>RM'000</b>	Property investment & development <b>RM'000</b>	Management services & others <b>RM'000</b>	Hotels <b>RM'000</b>	Utilities <b>RM'000</b>	Elimination <b>RM'000</b>	Total <b>RM'000</b>
<b>External revenue</b>	120,512	10,266	1,548,898	684,390	252,637	209,642	10,320,082	-	13,146,427
<b>Inter-segment revenue</b>	60,154	41,667	68,809	58,647	363,956	13,035	-	(606,268)	-
<b>Total revenue</b>	<u>180,666</u>	<u>51,933</u>	<u>1,617,707</u>	<u>743,037</u>	<u>616,593</u>	<u>222,677</u>	<u>10,320,082</u>	<u>(606,268)</u>	<u>13,146,427</u>
<b>Segment results</b>									
Profit from operations	39,664	786	377,826	168,121	87,543	13,511	1,621,626	-	2,309,077
Finance costs									(768,512)
									<u>1,540,565</u>
Share of profit of associated companies									190,731
Profit before taxation									<u><u>1,731,296</u></u>

**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 financial period ended 31 March 2012, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations except for the following:-

- On 7 July 2011, YTL Power International Berhad (“YTL Power”) together with YTL Jawa Power Holdings Limited, an indirect wholly-owned subsidiary of the Company, entered into a share purchase agreement (“SPA”) with Marubeni Corporation (“Marubeni”) and Aster Power Holding B.V., a wholly-owned subsidiary of Marubeni, relating to the sale and purchase of 7,714 ordinary shares of EUR1.00 and certain Company Interests (as defined in the SPA) in YTL Jawa Power Holdings BV (“YTLJPH”) representing 15/35 or 42.86% equity interests in YTLJPH. The sale was completed on 15 August 2011.
- On 18 July 2011, YTL Cement Singapore Pte Ltd, a wholly-owned subsidiary of YTL Cement Berhad (“YTL Cement”), incorporated a wholly-owned subsidiary known as YTL Cement Terminal Services Pte Ltd (“YTL Cement Terminal Services”) in Singapore with an issued and paid-up share capital of S\$1.00 comprising 1 ordinary share. YTL Cement Terminal Services will be principally involved in the operation of port terminal and specialize in handling of cementitious products.
- On 22 August 2011, YTL Cayman Limited (“YTL Cayman”), a wholly-owned subsidiary of the Company, acquired 1 ordinary share of par value USD1.00 in YTL Property Investments Limited (“YTLPI”) at par value. As a result, YTLPI became a wholly-owned subsidiary of YTL Cayman and an indirect subsidiary of the Company. YTLPI will be principally involved in investment holding.
- On 29 September 2011, YTL Land & Development Berhad (“YTL Land”), incorporated a wholly-owned subsidiary, YTL Land & Development Management Pte Ltd (“YTL Land Management”) in Singapore with an issued and paid-up share capital of S\$1.00 comprising 1 ordinary share. YTL Land Management will be principally involved in the provision of financial services and management consultancy services.
- On 4 October 2011, YTL Hotels & Properties Sdn Bhd (“YTLHP”), a wholly-owned subsidiary of the Company, subscribed for the entire issued and paid-up share capital of EUR18,000.00 comprising 18,000 shares of EUR1.00 each in Bath Hotel & SPA B.V. (“Bath Hotel”). As a result, Bath Hotel has become a wholly-owned subsidiary of YTLHP and an indirect subsidiary of the Company. Bath Hotel will be principally involved in investment holding.
- Wimax Capital Management Ltd (“WCM”), a 80% owned subsidiary of YTL e-Solutions Berhad (“YTLE”), had on 18 October 2011, been struck-off from the register of the Companies House of UK. Accordingly, WCM has ceased to be a subsidiary of YTLE and the Company.



**INTERIM FINANCIAL REPORT**

**Notes: - continued**

- On 10 October 2011, YTL Power acquired 1 ordinary share in YTL Power Trading (Labuan) Ltd (“YTL Power Trading”) at USD1.00. As a result, YTL Power Trading became a wholly-owned subsidiary of YTL Power and an indirect subsidiary of the Company. YTL Power Trading will be principally involved in trading.
- On 27 October 2011, YTL Communications Sdn Bhd (“YTL Communications”), a 60% owned subsidiary of YTL Power, incorporated a wholly-owned subsidiary, YTL Communications Pte Ltd (“YCPL”) in Singapore with an issued and paid-up share capital of S\$1.00 comprising 1 ordinary share. As a result, YCPL became an indirect subsidiary of YTL Power and the Company. YCPL will be principally involved in provision of software integration and technical services (inclusive of hardware, software and system maintenance).
- On 4 November 2011, the disposal of the following companies (“Subject Companies”) to YTL Land pursuant to the rationalization to house the property development assets of the YTL Corp Group under YTL Land, have been completed:-
  - (i) Satria Sewira Sdn Bhd
  - (ii) Emerald Hectares Sdn Bhd
  - (iii) Pinnacle Trend Sdn Bhd
  - (iv) Trend Acres Sdn Bhd
  - (v) Lakefront Pte Ltd
  - (vi) Sandy Island Pte Ltd
  - (vii) Budaya Bersatu Sdn Bhd
  - (viii) YTL Westwood Properties Pte Ltd

The sale shares of the Subject Companies were registered in the name of YTL Land on 14 November 2011 and 6 December 2011, respectively.

As a result, all the Subject Companies have become direct subsidiaries of YTL Land and remain indirect subsidiaries of the Company.

- On 8 November 2011, Maybank Trustee Berhad (formerly known as Mayban Trustee Berhad) (“MTB”), as the trustee for Starhill Real Estate Investment Trust (“Starhill REIT”) (“Trustee”) subscribed and held in trust for Starhill REIT, the entire issued and paid-up share capital of JPY1 comprising 1 share in Starhill REIT Niseko G.K (“Starhill REIT Niseko”). As a result, Starhill REIT Niseko has become a wholly-owned subsidiary of Starhill REIT and an indirect subsidiary of the Company. Starhill REIT Niseko will be principally involved in purchase, possession, disposal, lease and management of real properties.

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

- As part of the rationalization exercise to reposition Starhill REIT as a full-fledged hospitality REIT, the acquisition of all the following hospitality assets by MTB, the trustee of Starhill REIT were completed on 15 November 2011, save for the acquisition of Hilton Niseko, which was completed on 22 December 2011:-
  - (i) Cameron Highlands Resort;
  - (ii) Vistana Penang;
  - (iii) Vistana Kuala Lumpur;
  - (iv) Vistana Kuantan;
  - (v) Residences@Ritz-Carlton;
  - (vi) Ritz Carlton, Kuala Lumpur;
  - (vii) Pangkor Laut Resort; and
  - (viii) Tanjong Jara Resort.

On 15 November 2011, a total of 145,500,000 new units were issued to the respective vendors at an issue price of RM1.00 per unit as part payment of the purchase consideration for the acquisition of the following hospitality related properties:-

- (i) Vistana Kuantan;
- (ii) Residences@Ritz-Carlton;
- (iii) Ritz Carlton, Kuala Lumpur;
- (iv) Pangkor Laut Resort;

and such new units were quoted on Bursa Securities on 15 November 2011.

As a result, the fund size of the Starhill REIT increased from 1,178,888,889 units to 1,324,388,889 units.

- On 22 December 2011, YTL Cement and its wholly-owned subsidiaries, Awan Seruding Sdn Bhd and Tugan Sejahtera Sdn Bhd, transferred 10,000,000 ordinary shares of RM1.00 each in Straits Cement Sdn Bhd (“Straits Cement”), representing the entire issued and paid-up share capital of Straits Cement, to Pahang Cement Sdn Bhd (“Pahang Cement”), another wholly-owned subsidiary of YTL Cement, for a total cash consideration of RM1 million. As a result, Straits Cement became a direct subsidiary of Pahang Cement and an indirect subsidiary of YTL Cement. Straits Cement remains as an indirect subsidiary of the Company.
- On 4 January 2012, YTL Power Services Sdn Bhd, a wholly-owned subsidiary of YTL Cayman Limited, which in turn a wholly-owned subsidiary of the Company, has incorporated a wholly-owned subsidiary known as YTL Power Services (S) Pte Ltd (“YTLPS Singapore”) in Singapore with an issued and paid-up share capital of S\$1.00 comprising 1 ordinary share. YTLPS Singapore will be principally involved in operation and maintenance of power stations.
- On 31 January 2012, YTL Communications, acquired two (2) ordinary shares of RM1.00 each in YTL Digital Sdn Bhd (“YTL Digital”), representing the entire issued and paid-up share capital of YTL Digital from YTL Energy Sdn Bhd, a wholly-owned subsidiary of the Company, at par value per share. As a result, YTL Digital became a wholly-owned subsidiary of YTL Communications and an indirect subsidiary of YTL Power. YTL Digital remains as an indirect subsidiary of the Company.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

- On 21 February 2012, Bath Hotel subscribed for the entire issued and paid-up share capital of £100.00 comprising 100 shares of £1.00 each in Gainsborough Hotel (Bath) Limited (“Gainsborough Hotel”). As a result, Gainsborough Hotel became a wholly-owned subsidiary of Bath Hotel and an indirect subsidiary of YTLHP and the Company. Gainsborough Hotel will be principally engaged in hotel operations.
- On 26 March 2012, the Company acquired 17,498,325 convertible preferred units (“CPUs”) representing the entire CPUs held by MTB, as the trustee of Starhill REIT in Starhill Global Real Estate Investment Trust (“Starhill Global REIT”), for a total purchase consideration of SGD17,498,325 or RM42,674,915 at the rate of SGD1=RM2.4388, based on the closing RM:SGD exchange rate of Bank Negara Malaysia Interbank Foreign Exchange Mid Rate as at 5.00 p.m. on 23 March 2012.

**A9. Changes in Contingent Liabilities**

There was no significant change in the contingent liabilities of the Group since the last financial year ended 30 June 2011.

**A10. Subsequent Events**

Save for the following, there was no item, transaction or event of a material or unusual nature during the period from the end of the quarter under review to the date of this report:-

- On 2 April 2012, PowerSeraya Limited (“PowerSeraya”) transferred all its ordinary shares in the following subsidiaries to YTL PowerSeraya Pte Limited (“YTL PowerSeraya”) the holding company, for the consideration stated herein (“the Shares Transfers”):-

Name of subsidiary	Number of ordinary shares	Transfer consideration (S\$)
Seraya Energy Pte Ltd (“SE”)	50,000,002	2
Seraya Energy and Investment Pte Ltd (“SEI”)	5,400,002	5,400,002

Both YTL PowerSeraya and PowerSeraya are indirect wholly-owned subsidiaries of YTL Power and the Company.

As a result of the Shares Transfers, SE and SEI have become direct subsidiaries of YTL PowerSeraya and remain indirect subsidiaries of YTL Power and the Company.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

- On 5 April 2012, Batu Tiga Quarry Sdn Bhd (“BTQ”), a wholly-owned subsidiary of YTL Cement, acquired an aggregate of one million (1,000,000) ordinary shares of RM1.00 each in Permodalan Hitec Sdn Bhd (“Permodalan Hitec”), representing the entire issued and paid-up share capital of Permodalan Hitec from Lee Boon Hong, Lee Boon Chuan, Low Boon Chuen, Yee Phey Fern, Koh Kok Wee, Tang Poey Poey, Tan Hua Ait and Wong Chin Choy, for a cash consideration of RM32,333,622.56 (the “Acquisition”). As a result of the Acquisition, Permodalan Hitec has become a wholly-owned subsidiary of BTQ and an indirect subsidiary of YTL Cement and the Company.
- Pursuant to Paragraph 16.07(a) of the Main Market Listing Requirements of Bursa Securities all the listed securities of YTL Cement were removed from the Official List of Bursa Securities with effect from 9.00 a.m. on 16 April 2012.
- Subsequent to the announcements dated 19 April 2010 and 7 May 2010 made by the Company (“Announcements”) on acquisition of shares in YTL Starhill Global REIT Management Holdings Pte Ltd (“YSGRMH”) (“Acquisition”), the Company had on 19 April 2012 further informed that the Second Tranche Completion on the Acquisition (as defined in the Announcements), involving 750,000 ordinary shares and 1 Class ‘C’ Redeemable Preference Share in the share capital of YSGRMH by Starhill Global REIT Management Limited (“SGRML”), an indirect wholly-owned subsidiary of the Company, was completed on 19 April 2012.

Consequent thereto, YSGRMH has become a wholly-owned subsidiary of SGRML and an indirect subsidiary of the Company.

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

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

**B1. Review of Performance**

The comparison of the results are tabulated below:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>31.03.2012</b>	<b>31.03.2011</b>	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
Construction	82,454	19,079	228,006	120,512
Information technology & e-commerce related business	1,480	3,879	4,072	10,266
Cement Manufacturing & trading	596,974	513,406	1,791,325	1,548,898
Property investment & development	426,700	240,841	860,167	684,390
Management services & others	71,809	67,293	352,705	252,637
Hotels	101,166	81,212	235,341	209,642
Utilities	3,959,180	3,316,038	11,636,390	10,320,082
	<u>5,239,763</u>	<u>4,241,748</u>	<u>15,108,006</u>	<u>13,146,427</u>
<b>Profit before tax</b>				
Construction	37,271	29,236	76,811	39,101
Information technology & e-commerce related business	580	(1,147)	2,849	783
Cement Manufacturing & trading	160,987	119,593	376,469	334,749
Property investment & development	85,794	50,341	167,704	166,654
Management services & others	14,451	66,773	63,090	65,690
Hotels	15,748	11,702	11,681	11,751
Utilities	379,535	350,090	1,136,008	1,112,568
	<u>694,366</u>	<u>626,588</u>	<u>1,834,612</u>	<u>1,731,296</u>

## **INTERIM FINANCIAL REPORT**

### **Notes – continued**

For the current quarter under review, the Group recorded a revenue and profit after taxation of RM5,239.8 million and RM694.4 million, respectively representing an increase of 23.5% and 10.8%, respectively when compared to RM4,241.7 million and RM626.6 million, respectively recorded in the preceding year corresponding quarter ended 31 March 2011.

For the nine months under review, Group revenue and profit after taxation increased to RM15,108.0 million and RM1,834.6 million, respectively representing an increase of 14.9% and 6.0%, respectively, when compared to RM13,146.4 million and RM1,731.3 million, respectively recorded in the preceding year corresponding nine months ended 31 March 2011.

Performance of the respective operating business segments for the period ended 31 March 2012 as compared to the preceding corresponding period are analysed as follows:

#### Construction

The increase in revenue and profit before tax were principally due to higher percentage of work done recognised.

#### Information technology & e-commerce related business

Decrease in revenue was mainly due to absence of revenue contributed by Extiva Communications Sdn Bhd in previous year corresponding period, whilst increase in profit before taxation was mainly due to higher fixed deposit income, gain in liquidation of a subsidiary (namely Wimax Capital Management Ltd) and lower operating expenses in the period under review.

#### Cement Manufacturing & trading

Higher demand for cement by the domestic construction industry contributed to the increase in revenue and profit before taxation of the cement manufacturing & trading segment for the current quarter under review and the nine months period ended 31 March 2012.

#### Property investment & development

The increase in revenue and profit before taxation for the current quarter were substantially contributed by the Capers under the Sentul Raya project and Lakefields projects undertaken by Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd.

#### Management services & others

The increase in revenue was mainly attributable to an offshore project undertaken by a branch of YTL Power Services Sdn Bhd, a wholly owned subsidiary of the Company.

#### Hotels

Increase in revenue and profit before taxation for the nine months period ended 31 March 2012 was mainly contributed by the overall higher occupancy and average room rate.

#### Utilities

Increase in revenue and profit before taxation were mainly due to overall higher volume of business, favourable fair value adjustments on fuel and savings in finance cost.

**INTERIM FINANCIAL REPORT**

**Notes – continued**

**B2. Comparison with Preceding Quarter**

	<b>Current Quarter 31.03.2012 RM'000</b>	<b>Preceding Quarter 31.12.2011 RM'000</b>
Revenue	5,239,763	5,325,194
Profit before taxation	694,366	610,103
Profit attributable to owners of the parent	364,824	237,382

For the current financial quarter, Group profit before taxation increased by 12.6% to RM694.366 million, when compared RM610.103 million recorded in the preceding quarter ended 31 December 2011.

The increase in profit before taxation was mainly attributed to better performance in the cement and property development segments.

**B3. Audit Report of the preceding financial year ended 30 June 2011**

The Auditors' Report on the financial statements of the financial year ended 30 June 2011 did not contain any qualification.

**B4. Prospects**

Construction

The construction segment is expected to achieve satisfactory performance for the financial year ending 30 June 2012 as the construction projects are mainly related to the Group's property development and infrastructure works.

Information technology & e-commerce related business

The Group, after considering its current level of operations, is expected to achieve a satisfactory performance in the financial year ending 30 June 2012.

Cement Manufacturing & trading

The Group, after considering the Group's current level of operations and current market conditions, is expected to achieve satisfactory performance for the financial year ending 30 June 2012.

Property investment & development

The Group is expected to achieve satisfactory performance for the financial year ending 2012 through the property development activities undertaken by its subsidiaries.

Management services & others

The Group, after considering the current market condition, is expected to achieve satisfactory performance for the financial year ending 30 June 2012.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

Hotels

This segment, after considering the current level of operations, is expected to achieve a satisfactory performance in the financial year ending 30 June 2012.

Utilities

For the financial year ending 30 June 2012, the utilities business segment continues to strive for long-term sustainable growth despite the competitive environment with focus on customer service and value-added solutions. Despite challenging market in the telecommunications industry, this business segment is expected to continuously grow its subscriber base to generate higher revenue.

**B5. Profit Forecast**

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

**B6. Profit for the period**

	<b>Current Quarter 31.03.2012 RM'000</b>	<b>Year To Date 31.03.2012 RM'000</b>
Profit for the period is stated after charging/ (crediting):		
Depreciation of property, plant and equipment	314,851	935,368
Dividends income	(11,115)	(27,852)
Interest income	(40,464)	(145,934)
Loss/(gain) on disposal of investment	12	(5,637)
Interest expense	240,418	761,282
(Gain)/loss on foreign exchange	(41,719)	38,207

There was no exceptional item charged/(credited) for the period.

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B7. Taxation**

Taxation comprises the following:-

	<b>Current Quarter 31.03.2012 RM'000</b>	<b>Year To Date 31.03.2012 RM'000</b>
Taxation based on profit for the period	184,154	536,059
Deferred taxation	(17,825)	(63,435)
	<u>166,329</u>	<u>472,624</u>

The provision for taxation of the Group for the current financial quarter reflects an effective tax rate higher than the Statutory Income Tax Rate due to income subjected to different tax jurisdictions and expenses not deductible for tax purposes, partially offset by income not subjected to tax.

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B8. Corporate Developments**

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

As at 21 May 2012, being the latest practicable date, there are no corporate proposals announced and pending completion, save for the following:

(i) On 19 December 2011, the Company announced a proposed conditional share exchange offer, to be undertaken via its wholly-owned subsidiary, YTL Industries Berhad (“YTL Industries” or “Offeror”) to acquire the following securities of YTL Cement Berhad (“YTL Cement”) through the issuance of ordinary shares of RM0.10 each in the Company at an issue price of RM1.42 each (“Consideration Shares”):-

(a) all the remaining voting shares of RM0.50 each (excluding treasury shares) in YTL Cement (“YTL Cement Shares”) and such number of new YTL Cement Shares that may be issued prior to the close of the Offer (as defined below) which are not already held by YTL Industries and the Company, as the “Ultimate Offeror”, (“Offer Shares”) pursuant to the conversion of any outstanding irredeemable convertible unsecured loan stocks issued by YTL Cement (“ICULS”), at an offer price of RM4.50 for each Offer Share, which translates to an exchange ratio of approximately 3.17 Consideration Shares for each Offer Share (“Shares Offer”); and

(b) all the remaining ICULS which are not already held by the Offeror and the Ultimate Offeror (“Offer ICULS”), at an offer price of RM2.21 for each Offer ICULS, which translates to an exchange ratio of approximately 1.56 Consideration Shares for each Offer ICULS (“ICULS Offer”),

The Shares Offer and ICULS Offer are collectively referred to as the “Offer”.

The Offer Shares and Offer ICULS are collectively referred to as the “Offer Securities”

On 9 January 2012, the offer document which sets out the details of the Offer together with the form of acceptance and transfer (“Offer Document”) was despatched to the shareholders and ICULS holders of YTL Cement or their designated agents.

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

The Offer became unconditional on 8 February 2012 upon the fulfillment of the following conditions:-

- (i) the Offeror having received by the closing date valid acceptances (provided that such acceptances are not, where permitted, subsequently withdrawn) in respect of the Offer Shares, which would result in the Offeror and Ultimate Offeror holding, together with such YTL Cement Shares that are already acquired, held or entitled to be acquired or held, more than 50% of the total voting shares of YTL Cement (“Acceptance Condition”). The Acceptance Condition was met on 20 January 2012;
- (ii) approval of the Securities Commission Malaysia under the equity requirements for public companies for the Offer, received on 20 January 2012 ;
- (iii) approval of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for the Consideration Shares on the Main Market of Bursa Securities, received on 16 January 2012;
- (iv) approval of the Ministry of International Trade and Industry for the Offer, received on 8 February 2012; and
- (v) approval of the shareholders of the Company for the issuance of the Consideration Shares to its Directors and/or major shareholders or persons connected to them who are also holders of the Offer Securities at an extraordinary general meeting to be convened, unless a waiver for the aforesaid is granted by Bursa Securities. Bursa Securities granted the Company a waiver from complying with paragraph 6.04(c)(i) and 6.06(1) of the Main Market Listing Requirements of Bursa Securities (“Main LR”) in respect of the Offer via its letter date 16 January 2012.

The first closing date for the Offer was fixed at 5.00 p.m. on 10 February 2012. On 8 February 2012, the closing date was extended to 5.00 p.m. on 24 February 2012.

On 9 February 2012, the Company announced that the Offeror had received acceptances in respect of the Offer, resulting in the Offeror and Ultimate Offeror collectively holding more than 75% of YTL Cement Shares. As a result, YTL Cement does not comply with the public shareholding spread requirement (“Public Shareholding Spread Requirement”) as set out under paragraph 8.02(1) of the Main LR. On 21 February 2012, YTL Cement announced that Bursa Securities had, via its letter dated 17 February 2012, granted YTL Cement an extension of time until the completion of the corporate proposals as stipulated in the Offer Document to comply with the Public Shareholding Spread Requirement.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

On 21 February 2012, the Company announced that the Offeror had received valid acceptances in respect of the Offer resulting in the Offeror, Ultimate Offeror and YTL Power International Berhad, a person acting in concert with them, collectively holding more than 90% of the listed shares (excluding treasury shares) of YTL Cement as at 21 February 2012. In accordance with Paragraph 16.02(3) of the Main LR, Bursa Securities will suspend the trading of YTL Cement shares and ICULS with effect from 9.00 a.m. on 29 February 2012, being 5 market days from the date of the announcement. The Offeror will also procure YTL Cement to make an application to Bursa Securities for the withdrawal of its listing status from the Official List of Bursa Securities pursuant to Paragraph 16.07(a) of the Main LR.

On 22 February 2012, the Company announced a final extension of time for acceptance of the Offer to 5.00 p.m. on 9 March 2012.

On 13 March 2012, the Offeror despatched the notice in accordance with Section 223 of the Capital Markets and Services Act 2007 (“CMSA”) to shareholders of YTL Cement who have not accepted the Offer (“Non-Accepting Shareholders”) informing that they may exercise their rights to require the Offeror to acquire their voting shares in YTL Cement on or before 13 June 2012, being a date which is at least 3 months from the closing of the Offer, on the terms of the Offer or such other terms as may be agreed by the Offeror and the Non-Accepting Shareholders pursuant to Section 223 of the CMSA.

Pursuant to Paragraph 16.07(a) of the Main LR, all listed securities of YTL Cement were removed from the Official List of Bursa Securities with effect from 9.00 a.m. on 16 April 2012.

- (ii) On 2 May 2012, Infoscreen Networks Plc (“INP”), a 99.7% owned subsidiary of YTLE, announced of its intention to cancel the admission of its ordinary shares of 1 penny each (“Ordinary Shares”) on AIM (“Proposed Delisting”) subject to the shareholders’ approval at a general meeting to be held on 23 May 2012 (“General Meeting”). YTLE has provided its irrevocable undertaking to vote in favour of the resolution approving the Proposed Delisting at the General Meeting.

INP has on 30 April 2012 informed the London Stock Exchange of the Proposed Delisting. Subject to the passing of the resolution on the Proposed Delisting by the shareholders of INP, it is anticipated that the trading of the Ordinary Shares on AIM will cease at close of business on 30 May 2012 and the Proposed Delisting will take effect at 7.00 a.m. (London time) on 31 May 2012.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B9. Group Borrowings and Debt Securities**

Particulars of the Group's borrowings and debts securities as at 31 March 2012 are as follows:-

	Short term		Long term		Total
	Bonds	Borrowings	Bonds	Borrowings	
	RM'000	RM'000	RM'000	RM'000	RM'000
Secured	-	1,661,855	-	2,612,600	4,274,455
Unsecured	-	9,757,082	8,041,977	7,166,329	24,965,388
	-----	-----	-----	-----	-----
Total	-	11,418,937	8,041,977	9,778,929	29,239,843
	=====	=====	=====	=====	=====

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

In Singapore Dollar ('000)	2,700,232
	=====
In US Dollar ('000)	857,120
	=====
In Sterling Pound ('000)	1,934,042
	=====
In Japanese Yen ('000)	7,850,000
	=====
In Euro ('000)	1,909
	=====

Save for the borrowings of RM40.954 million, EUR 1.909 million and Yen 7.85 billion by 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.

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**INTERIM FINANCIAL REPORT**

**B10. Derivatives Financial Instruments**

As at 31 March 2012, the Group's outstanding derivatives are as follows:

<b>Type of Derivatives</b>	<b>Contract/Notional Value RM'000</b>	<b>Fair Value RM'000</b>
<b><u>Fuel oil swaps</u></b>		
- Less than 1 year	2,130,198	2,247,856
- 1 year to 3 years	109,683	120,601
<b><u>Currency forwards</u></b>		
- Less than 1 year	2,027,122	2,000,996
- 1 year to 3 years	137,915	136,717
<b><u>Interest rate swaps</u></b>		
- 1 year to 3 years	495,727	475,030

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.

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.

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

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

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

(b) Fair Value Changes of Financial Liabilities

The gains arising from fair value changes of financial liabilities for the current financial period ended 31 March 2012 are as follows:

Type of financial liabilities	Basis of fair value measurement	Reason for the gain	Fair value gain/(loss)	
			Current year quarter 3 months to 31.03.2012	Current year to date 9 months to 31.03.2012
			RM'000	RM'000
Forward foreign currency exchange contracts	Foreign exchange differential between the contracted rate and the market forward rate	Foreign exchange rates differential between the contracted rate and the market forward rate which have moved in favour of the Group	6,396	16,398
Fuel oil swap	Fuel oil price differential between the contracted price and the market forward price	Fuel oil price differential between the contracted price and the market forward price which have moved in favour of the Group	28,850	58,094
Exchangeable bonds	Quoted market price	The quoted market price has increased from the last measurement date	(23,924)	9,847
Total			11,322	84,339

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

(c) Retained Earnings

	<b>As at 31.03.2012 RM'000</b>	<b>As at 30.06.2011 RM'000</b>
Retained earnings of the Company and its subsidiaries		
- Realised	15,166,479	13,341,038
- Unrealised	(1,398,733)	(1,239,198)
	<u>13,767,746</u>	<u>12,101,840</u>
Total share of accumulated profit from associated companies and jointly controlled entity		
- Realised	1,000,737	1,320,940
- Unrealised	(107,582)	(132,633)
	<u>893,155</u>	<u>1,188,307</u>
Less: consolidated adjustments	(4,443,319)	(4,056,246)
	<u>10,217,582</u>	<u>9,233,901</u>

**B11. Material litigation**

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

**B12. Dividend**

The Board of Directors is pleased to declare an interim single tier dividend of 20% or 2 sen per ordinary share of 10 sen each for the financial year ending 30 June 2012.

The book closure and payment dates in respect of the aforesaid dividend are 12 June 2012 and 27 June 2012, respectively.

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B13. Earnings Per Share**

**i) Basic earnings per 10 sen share**

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

	<b>Current Year Quarter 31.03.2012</b>	<b>Preceding Year Corresponding Quarter 31.03.2011</b>
Profit attributable to owners of the parent (RM'000)	364,824	312,055
<i>Weighted average number of ordinary shares ('000)</i>		
Issued at the beginning of the period	10,160,600	9,509,445
Shares repurchased	(685,082)	(540,800)
	<u>9,475,518</u>	<u>8,968,645</u>
Basic earnings per share (sen)	<u>3.85</u>	<u>3.48</u>

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B13. Earnings Per Share - continued**

**ii) Diluted earnings per 10 sen share**

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

	<b>Current Year Quarter 31.03.2012</b>	<b>Preceding Year Corresponding Quarter 31.03.2011</b>
Profit attributable to owners of the parent (RM'000)	364,824	312,055
<i>Weighted average number of ordinary shares-diluted ('000)</i>		
Weighted average number of ordinary shares-basic	9,475,518	8,968,645
Effect of unexercised employees share option scheme	-	88,680
	<u>9,475,518</u>	<u>9,057,325</u>
Diluted earnings per share (sen)	<u>3.85</u>	<u>3.45</u>

By Order of the Board  
HO SAY KENG  
Secretary

Kuala Lumpur  
Dated: 22 May 2012