

YTL POWER INTERNATIONAL BERHAD (Company No. 406684-H)
(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 31 December 2001

The figures have not been audited.

CONSOLIDATED INCOME STATEMENT

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	<u>CURRENT YEAR QUARTER 31/12/2001</u> RM'000	<u>PRECEDING YEAR CORRESPONDING QUARTER 31/12/2000</u> RM'000	<u>CURRENT YEAR TO DATE 31/12/2001</u> RM'000	<u>PRECEDING YEAR CORRESPONDING PERIOD 31/12/2000</u> RM'000
1 (a) Turnover	316,079	314,835	669,675	659,235
(b) Investment income	144	282	254	341
(c) Other income including interest income	24,718	33,104	54,562	58,941
2 (a) Operating profit before interest on borrowings, depreciation and amortisation, income tax and minority interests	211,056	207,416	427,717	433,483
(b) Interest on borrowings	(28,901)	(29,150)	(58,687)	(59,151)
(c) Depreciation and amortisation	(31,329)	(31,421)	(62,682)	(62,841)
(d) Exceptional items	-	-	601	141
(e) Operating profit after interest on borrowings, depreciation, and amortisation, but before income tax and minority interests	150,826	146,845	306,949	311,632
(f) Share in the results of associated companies	84	-	158	-
(g) Profit before taxation and minority interests	150,910	146,845	307,107	311,632
(h) Taxation	(42,196)	(39,139)	(88,236)	(85,626)

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CONSOLIDATED INCOME STATEMENT – Continued

		<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
		<u>CURRENT YEAR QUARTER</u>	<u>PRECEDING YEAR CORRESPONDING QUARTER</u>	<u>CURRENT YEAR TO DATE</u>	<u>PRECEDING YEAR CORRESPONDING PERIOD</u>
		<u>31/12/2001</u>	<u>31/12/2000</u>	<u>31/12/2001</u>	<u>31/12/2000</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
(i)	(i) Profit after taxation before deducting minority interests	108,714	107,706	218,871	226,006
	(ii) Less minority interests	-	-	-	-
(j)	Profit after taxation attributable to members of the Company	108,714	107,706	218,871	226,006
(k)	Retained profits brought forward	2,033,249	1,895,430	1,923,092	1,777,130
(l)	Profit available for distribution	2,141,963	2,003,136	2,141,963	2,003,136
(m)	Retained profits carried forward	2,141,963	2,003,136	2,141,963	2,003,136
3 (a)	Earnings per share based on 2 (i) above :-				
	(i) Basic	4.88 sen	4.73 sen	9.81 sen	9.92 sen
	based on number of ordinary shares	2,229,521,431	2,277,852,528	2,230,286,039	2,277,852,528

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		<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
		CURRENT YEAR QUARTER 31/12/2001 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2000 RM'000	CURRENT YEAR TO DATE 31/12/2001 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2000 RM'000
(ii)	Fully diluted	4.88 sen =====	4.73 sen =====	9.81 sen =====	9.92 sen =====
	based on weighted average number of ordinary shares	2,229,521,431 =====	2,277,852,528 =====	2,230,286,039 =====	2,277,852,528 =====

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CONSOLIDATED BALANCE SHEET

	As at End of Current Quarter 31 December 2001 RM'000	As at Preceding Financial Year End 30 June 2001 RM'000
Fixed Assets	2,614,165	2,676,444
Development Expenditure	68	304
Investment in Associated Companies	341	227
Long Term Investments	18,693	17,172
Investment, Unquoted	132,050	132,050
Current Assets		
Stocks	88,924	90,927
Trade Debtors	153,592	152,348
Short Term Investments	19,190	10,000
Fixed Deposits	3,730,635	3,037,048
Cash and Bank Balances	724	1,061
Other Debtors, Deposits and Prepayments	300,380	249,053
	-----	-----
	4,293,445	3,540,437
	-----	-----
Current Liabilities		
Short Term Borrowings	125,000	125,000
Trade Creditors	50,001	50,847
Other Creditors	93,436	107,923
Provision for Taxation	23,260	51,278
	-----	-----
	291,697	335,048
	-----	-----
Net Current Assets	4,001,748	3,205,389
	-----	-----
	6,767,065	6,031,586
	=====	=====

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CONSOLIDATED BALANCE SHEET – Continued

	As at End of Current Quarter 31 December 2001 RM'000	As at Preceding Financial Year End 30 June 2001 RM'000
Share Capital	2,288,667	2,288,666
Reserves		
Share Premium	2,041,288	2,041,286
Capital Redemption Reserve	16,200	16,200
Merger Reserves	(2,138,533)	(2,138,533)
Foreign Fluctuation Reserve	41	43
Retained Profit	2,141,963	1,923,091
Less: Treasury stock, at cost	(162,761)	(149,234)
	-----	-----
Shareholders' Funds	4,186,865	3,981,519
Minority Interests	-	-
Long Term borrowings	750,000	812,500
Bonds	1,320,000	750,000
Deferred Taxation	510,200	487,567
	-----	-----
	6,763,596	6,031,586
	=====	=====
Net Tangible Assets Per Share (RM)	1.88	1.78
	====	====

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Notes :

1. **Accounting Policies**

The quarterly financial statements have been prepared based on the same accounting policies and methods of computation adopted in the last annual audited financial statements and in accordance with the provisions of the Companies Act, 1965 and applicable approved Accounting Standards in Malaysia.

2. **Exceptional Item**

During the current financial quarter, there was no exceptional item except for the exceptional gain arising from disposal of quoted investment as stated in Note 6.

3. **Extraordinary Item**

During the current financial quarter, there was no extraordinary item.

4. **Taxation**

	Current Year Quarter 31.12.2001 RM'000	Current Year to Date 31.12.2001 RM'000
Current	30,882	63,104
Under provision	0	2,499
Deferred	11,314	22,633
	-----	-----
	42,196	88,236
	=====	=====

The provision for taxation for the current quarter reflects an effective tax rate lower than the Statutory Income Tax Rate due to income of foreign subsidiaries which is tax exempt. The higher effective tax rate for the current year to date is due to under provision of taxation in prior years.

5. **Sale of unquoted investments and/or properties**

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

6. **Quoted Investments**

(a) There were purchases of quoted investments during the current financial quarter amounting to RM 3.682 million. During the current quarter there was no disposal of quoted investments. Profit on sale of investments amounted to RM 0.601 million for the financial year to date. Total sale proceeds for the year to date was RM 2.761 million.

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- (b) The cost, carrying value and the market value of the quoted investments of the Group as at end of the reporting quarter are:

	RM'000
Cost	18,693
Carrying value	18,693
Market value	15,730
	=====

7. Changes in the Composition of the Group

There was no material change in the composition of the Group for the current financial quarter that will materially affect the financial results and state of affairs of the Group.

8. Corporate Developments

a) Corporate proposal announced and completed are as follows:

- Proposed Employees Share Option Scheme (“Proposed ESOS”) announced on 2 March 2001 for employees and Executive Directors of the Company and its subsidiaries who meet the criteria of eligibility for participation in the Proposed ESOS. The Proposed ESOS was approved by the Securities Commission and shareholders at an Extraordinary General Meeting on 28 June 2001 and 16 October 2001 respectively. The effective date of the Proposed ESOS is 30 November 2001 being the date of confirmation by Commerce International Merchant Bankers Berhad.
- Proposed Share Buy-Back announced on 12 November 2001 was approved by the shareholders at the Annual General Meeting held on 28 December 2001.

b) Corporate proposal announced and pending completion

As at the date of this announcement, there are no corporate proposal announced and pending completion.

c) Status of utilisation of proceeds

7% Redeemable Non-Guaranteed Unsecured Bonds

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

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2.5% Exchangeable Guaranteed Bonds Due 2006

The proceeds received by YTL Power Finance (Cayman) Limited, a wholly-owned subsidiary of the Company, from the issue of the USD150 million 2.5% Exchangeable Guaranteed Bonds Due 2006 on 11 July 2001 is currently placed under Fixed Deposits with licensed financial institutions pending investments outside Malaysia.

9. Changes in Share Capital and Share Buy-Backs

During the current financial year to date, 800 ordinary shares were issued pursuant to the exercise of warrants.

As at 27 February 2002, the Company purchased 59,390,000 ordinary shares from the open market at an average price of RM2.74 per share. During the current financial year to date, a total of 581,000 shares were purchased from the open market for a total consideration of RM1,404,208.09. The share buy-back transactions were financed by internally generated funds. The shares purchased are being held as treasury shares.

To date, a total of 44,584,585 treasury shares were distributed as share dividend to the shareholders on the basis of one (1) treasury share for every fifty (50) ordinary shares held on 2 January 2002 and the balance of treasury shares held is 14,805,415 shares.

10. Group Borrowings and Debt Securities

The Group's borrowings from financial institutions as at end of the current financial quarter are as follows:

	Short term RM'000	Long term RM'000	Total RM'000
Secured	125,000	750,000	875,000
Unsecured	-	1,320,000	1,320,000
	-----	-----	-----
	125,000	2,070,000	2,195,000
	=====	=====	=====

The borrowing which is denominated in foreign currency is as follows :-

In US Dollar ('000)	150,000
	=====

11. Contingent Liabilities - Unsecured

There were no contingent liabilities as at the date of this report.

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12. Off Balance Sheet Financial instruments

No off balance sheet financial instruments were utilised for the current financial quarter.

13. Pending material litigation

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

14. Segment Reporting

	Turnover	Profit Before Taxation	Assets Employed
Analysis by activities	RM'000	RM'000	RM'000
Investment holding	50,750	35,051	3,695,247
Power generation	618,925	272,056	3,363,515
	-----	-----	-----
	669,675	307,107	7,058,762
	=====	=====	=====
Analysis by geographical area			
Operations in Malaysia	658,790	302,972	6,113,734
Operations in other countries	10,885	4,135	945,028
	-----	-----	-----
	669,675	307,107	7,058,762
	=====	=====	=====

15. Comparison with Preceding Quarter

	Current Quarter 31.12.2001 RM'000	Preceding Quarter 30.9.2001 RM'000
Turnover	316,079	353,596
Consolidated Profit/(Loss) before taxation	150,910	156,197
Consolidated Profit/(Loss) after taxation	108,714	110,157

The decrease in the current quarter ended 31 December 2001 as compared to the preceding quarter ended 30 September 2001 in turnover was due to reduction of electricity sales under the Supplemental PPA and interest on the proceeds of USD 150 million 2.5% Exchangeable Guaranteed Bonds pursuant to the interest rate reduction. The decrease in consolidated profit before taxation and profit after taxation in the current quarter ended 31 December 2001 as compared to the preceding quarter ended 30 September 2001 was due to decreased electricity sales and interest income and after deducting corresponding increase in interest cost.

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16. Review of the Results

Group turnover increased to RM316.1 million for the current quarter ended 31 December 2001 from RM314.8 million in the preceding year corresponding quarter ended 31 December 2000. This represents a marginal increase of RM1.3 million or 0.4 % over the preceding year corresponding quarter ended 31 December 2000. The Group profit before taxation increased by 2.8 % to RM150.9 million in the current quarter ended 31 December 2001 as compared to the preceding year corresponding quarter ended 31 December 2000. The marginal increase in turnover was attributable to additional interest income arising from the proceeds of USD 150 million 2.5 % Exchangeable Guaranteed Bonds. The increase in profit during the current quarter ended 31 December 2001 despite an increase in interest cost payable on the 2.5% Exchangeable Guaranteed Bonds was substantially due to the provision of Y2K contingency in the corresponding quarter ended 31 December 2000. The turnover for the year under review improved by RM10.5 million to RM669.7 million from RM659.2 million in the corresponding preceding year ended 31 December 2000 substantially due to increase in additional interest income and additional sale of electricity. The profit before taxation for the year under review reduced marginally by 1.45% or RM4.5 million compared to the corresponding preceding year ended 31 December 2000.

17. Subsequent Material Event

There was no material event subsequent to the end of the current financial quarter.

18. Seasonality or Cyclicity of Operations

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

19. Prospects

Barring unforeseen circumstances, the Group expects to achieve a satisfactory level of operating performance for the financial year ending 30 June 2002.

20. Profit Forecast/Profit Guarantee

The Group did not issue any profit forecast during the period

21. Proposed Dividend

No interim dividend has been declared for the financial quarter ended 31 December 2001.

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 28 February 2002