

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

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 31 March 2002

The figures have not been audited.

CONSOLIDATED INCOME STATEMENT

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	<u>CURRENT YEAR QUARTER 31/3/2002</u> <u>RM'000</u>	<u>PRECEDING YEAR CORRESPONDING QUARTER 31/3/2001</u> <u>RM'000</u>	<u>CURRENT YEAR TO DATE 31/3/2002</u> <u>RM'000</u>	<u>PRECEDING YEAR CORRESPONDING PERIOD 31/3/2001</u> <u>RM'000</u>
1 (a) Turnover	346,564 =====	332,933 =====	1,016,239 =====	992,168 =====
(b) Investment income	302 =====	641 =====	557 =====	982 =====
(c) Other income including interest income	25,103 =====	27,643 =====	79,063 =====	86,444 =====
2 (a) Operating profit before interest on borrowings, depreciation and amortisation, income tax and minority interests	216,529	200,943	644,247	634,427
(b) Interest on borrowings	(30,473)	(27,706)	(89,160)	(86,857)
(c) Depreciation and amortisation	(31,034)	(31,410)	(93,716)	(94,252)
(d) Exceptional items	- -----	2,191 -----	601 -----	2,332 -----
(e) Operating profit after interest on borrowings, depreciation, and amortisation, but before income tax and minority interests	155,022	144,018	461,972	455,650
(f) Share in the results of associated companies	92 -----	- -----	249 -----	- -----
(g) Profit before taxation and minority interests	155,114	144,018	462,221	455,650
(h) Taxation	(47,270) -----	(39,779) -----	(135,506) -----	(125,405) -----

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CONSOLIDATED INCOME STATEMENT – Continued

		<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
		<u>CURRENT YEAR QUARTER 31/3/2002 RM'000</u>	<u>PRECEDING YEAR CORRESPONDING QUARTER 31/3/2001 RM'000</u>	<u>CURRENT YEAR TO DATE 31/3/2002 RM'000</u>	<u>PRECEDING YEAR CORRESPONDING PERIOD 31/3/2001 RM'000</u>
(i)	(i) Profit after taxation before deducting minority interests	107,844	104,239	326,715	330,245
	(ii) Less minority interests	-	-	-	-
(j)	Profit after taxation attributable to members of the Company	107,844	104,239	326,715	330,245
(k)	Retained profits brought forward				
	As previously reported	2,141,962	2,003,136	1,923,091	1,777,130
	Prior year adjustment	-	(296,000)	-	(296,000)
		2,141,962	1,707,136	1,923,091	1,481,130
(l)	Profit available for distribution	2,249,806	1,811,375	2,249,806	1,811,375
(m)	Capitalised on redemption of Preference shares by one of the subsidiaries	(1,800)	-	(1,800)	-
(n)	Dividend – Current	(160,508)	-	(160,508)	-
	- over provision	-	2,772	-	2,772
(o)	Retained profits carried forward	2,087,498	1,814,147	2,087,498	1,814,147
3 (a)	Earnings per share based on 2 (i) above :-				
	(i) Basic	4.76 sen	4.65 sen	14.57 sen	14.57 sen
	based on weighted average number of ordinary shares	2,265,408,022	2,242,757,386	2,241,822,194	2,266,324,927

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CONSOLIDATED INCOME STATEMENT - Continued

		<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
		CURRENT YEAR QUARTER 31/3/2002 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/3/2001 RM'000	CURRENT YEAR TO DATE 31/3/2002 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/3/2001 RM'000
(ii)	Fully diluted	4.76 sen =====	4.65 sen =====	14.57 sen =====	14.57 sen =====
	based on weighted average number of ordinary shares	2,265,408,022 =====	2,242,757,386 =====	2,241,822,194 =====	2,266,324,927 =====

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CONSOLIDATED BALANCE SHEET

	As at End of Current Quarter 31 March 2002 RM'000	As at Preceding Financial Year End 30 June 2001 RM'000
Fixed Assets	2,584,414	2,676,444
Development Expenditure	2,153	304
Investment in Associated Companies	406	227
Long Term Investments	28,258	17,172
Investment, Unquoted	132,050	132,050
Current Assets		
Stocks	83,759	90,927
Trade Debtors	141,834	152,348
Short Term Investments	19,190	10,000
Fixed Deposits	4,219,906	3,037,048
Cash and Bank Balances	1,284	1,061
Other Debtors, Deposits and Prepayments	312,120	249,053
	-----	-----
	4,778,093	3,540,437
	-----	-----
Current Liabilities		
Short Term Borrowings	625,000	125,000
Trade Creditors	42,297	50,847
Other Creditors	127,894	107,923
Provision for Taxation	18,126	51,278
	-----	-----
	813,317	335,048
	-----	-----
Net Current Assets	3,964,776	3,205,389
	-----	-----
	6,712,057	6,031,586
	=====	=====

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CONSOLIDATED BALANCE SHEET – Continued

	As at End of Current Quarter 31 March 2002 RM'000	As at Preceding Financial Year End 30 June 2001 RM'000
Share Capital	2,288,672	2,288,666
Reserves		
Share Premium	1,919,110	2,041,286
Capital Redemption Reserve	18,000	16,200
Merger Reserves	(2,138,533)	(2,138,533)
Foreign Fluctuation Reserve	41	43
Retained Profit	2,087,498	1,923,091
Less: Treasury stock, at cost	(54,242)	(149,234)
	-----	-----
Shareholders' Funds	4,120,546	3,981,519
Minority Interests	-	-
Long Term borrowings	750,000	812,500
Bonds	1,320,000	750,000
Deferred Taxation	521,511	487,567
	-----	-----
	6,712,057	6,031,586
	=====	=====
Net Tangible Assets Per Share (RM)	1.82	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 31.3.2002 RM'000	Current Year to Date 31.3.2002 RM'000
Current	36,547	99,651
Under / (over) provision	(587)	1,911
Deferred	11,310	33,944
	-----	-----
	47,270	135,506
	=====	=====

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 9.565 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	28,258
Carrying value	28,258
Market value	28,389
	=====

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 acquisition of the entire issued and paid-up share capital of Wessex Water Limited from Azurix Europe Limited by YTL Utilities (UK) Limited, a wholly-owned subsidiary of the Company announced on 26 March 2002 was completed on 21 May 2002 for an enterprise value of £1,239.2 million (approximately RM6,890 million translated at the prevailing exchange rate of £1:RM5.56).

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 has been invested into YTL Utilities Limited, a wholly-owned subsidiary incorporated in the Cayman Islands. YTL Utilities Limited in turn holds the entire issued and paid-up share capital of YTL Utilities (UK) Limited which acquired the entire issued and paid-up share capital of Wessex Water Limited.

The approval of the Securities Commission to extend the purpose for the use of proceeds for this investment was received vide its letter of 15 April 2002.

9. Changes in Share Capital and Share Buy-Backs

During the current financial year to date, 5,690 ordinary shares were issued pursuant to the exercise of warrants.

As at 29 May 2002, the Company purchased 69,342,000 ordinary shares from the open market at an average price of RM2.76 per share. During the current financial year to date, a total of 9,955,000 shares were purchased from the open market for a total consideration of RM27,194,638. 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 24,757,415 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	625,000	750,000	1,375,000
Unsecured	-	1,320,000	1,320,000
	-----	-----	-----
	625,000	2,070,000	2,695,000
	=====	=====	=====

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

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

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11. Contingent Liabilities - Unsecured

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

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	Assets
		Taxation	Employed
Analysis by activities	RM'000	RM'000	RM'000
Investment holding	71,507	47,110	3,327,242
Power generation	944,732	415,111	4,198,132
	-----	-----	-----
	1,016,239	462,221	7,525,374
	=====	=====	=====
Analysis by geographical area			
Operations in Malaysia	1,001,752	458,033	6,596,495
Operations in other countries	14,487	4,188	928,879
	-----	-----	-----
	1,016,239	462,221	7,525,374
	=====	=====	=====

15. Comparison with Preceding Quarter

	Current	Preceding
	Quarter	Quarter
	31.3.2002	31.12.2001
	RM'000	RM'000
Turnover	346,564	316,079
Consolidated Profit/(Loss) before taxation	155,022	150,910
Consolidated Profit/(Loss) after taxation	107,844	108,714

The increase in the current quarter ended 31 March 2002 as compared to the preceding quarter ended 31 December 2001 in turnover was due to increased electricity sales under the Supplemental Power Purchase Agreement partly off-set by a reduction in interest income pursuant to the interest rate reduction. The increase in consolidated profit before taxation in the current quarter ended 31 March 2002 as compared to the preceding quarter ended 31 December was substantially due to increased electricity sales after deducting corresponding increase in interest cost arising from increased borrowings.

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Notes-continued

16. Review of the Results

Group turnover increased to RM346.6 million for the current quarter ended 31 March 2002 from RM332.9 million in the preceding year corresponding quarter ended 31 March 2001. This represents an increase of RM13.7 million or 4.1 % over the preceding year corresponding quarter ended 31 March 2001. The Group profit before taxation increased by 7.6 % to RM155 million in the current quarter ended 31 March 2002 as compared to the preceding year corresponding quarter ended 31 March 2001. The increase in turnover and profit before tax was substantially attributable to additional electricity sales. The turnover for the year under review improved by RM24 million to RM1,016.2 million from RM992.2 million in the corresponding preceding year ended 31 March 2001. The increase was substantially due to increase in additional interest income arising from the proceeds of USD 150 million 2.5 % Exchangeable Guaranteed Bonds and additional sale of electricity. The profit before taxation for the year under review increased marginally by 1.45% or RM6.6 million compared to the corresponding preceding year ended 31 March 2001.

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 March 2002.

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 30 May 2002