

YTL CEMENT BERHAD (Company No: 31384-K)
(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 30 June, 2001.

The figures have not been audited.

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/6/2001 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2000 RM'000	CURRENT YEAR TO DATE 30/6/2001 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2000 RM'000
1. (a) Revenue	110,557	75,128	378,468	243,605
(b) Investment income	-	-	-	-
(c) Other income	544	1,338	3,879	7,202
2. (a) Profit before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	10,392	20,607	71,059	45,536
(b) Finance cost	267	(2,459)	(2,264)	(10,318)
(c) Depreciation and amortisation	(3,976)	(4,606)	(15,145)	(18,096)
(d) Exceptional items	-	-	-	-
(e) Profit before income tax, minority interests and extraordinary items	6,683	13,542	53,650	17,122
(f) Share of profits of associated companies	2,976	3,062	12,767	3,415

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CONSOLIDATED INCOME STATEMENT - (Continued)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/6/2001 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2000 RM'000	CURRENT YEAR TO DATE 30/6/2001 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2000 RM'000
(g) Profit before income tax and minority interests and extraordinary items after share of profits of associated companies	9,659	16,604	66,417	20,537
(h) Income tax	(5,317)	(508)	(14,749)	(3,658)
(i) (i) Profit after income tax before deducting minority interests	4,342	16,096	51,668	16,879
(ii) Minority interests	(332)	249	1,546	304
(j) Pre-acquisition profit/(loss), if applicable	-	-	-	-
(k) Net profit from ordinary activities attributable to members of the company	4,010	16,345	53,214	17,183
(l) (i) Extraordinary items	-	-	-	-
(ii) Minority interests	-	-	-	-
(iii) Extraordinary items attributable to members of the company	-	-	-	-
(m) Net profit attributable to members of the company	4,010	16,345	53,214	17,183

YTL CEMENT BERHAD (Company No: 31384-K)
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**CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2001**

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CONSOLIDATED INCOME STATEMENT - (Continued)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/6/2001 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2000 RM'000	CURRENT YEAR TO DATE 30/6/2001 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2000 RM'000
(n) Retained profit brought forward	112,932	47,383	63,728	46,545
(o) Retained profit carried forward	116,942	63,728	116,942	63,728
3. Earnings per share based on 2(m) above after deducting any provision for preference dividends, if any :-				
(a) Basic - sen	5.70	21.69	72.50	22.80
based on number of ordinary shares	70,366,320	75,353,320	73,393,736	75,353,320
(b) Fully diluted -sen	* -	21.66	72.22	22.77
based on number of ordinary shares	*-	75,464,389	73,685,809	75,467,743

* The diluted earnings per share is not shown as the effect is anti-dilutive.

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CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2001

	AS AT END OF CURRENT QUARTER 30.6.2001 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2000 RM'000
PROPERTY, PLANT & EQUIPMENT	148,090	156,429
	-----	-----
INVESTMENT IN ASSOCIATED COMPANIES	90,085	77,713
	-----	-----
CAPITAL WORK-IN-PROGRESS	4,980	4,980
	-----	-----
CURRENT ASSETS		
Inventories	8,967	5,793
Trade debtors	144,282	91,093
Other debtors, deposits & prepayments	9,694	7,982
Inter-company balances	879	12,592
Fixed deposits	43,620	46,714
Cash & bank balances	5,601	6,217
	-----	-----
	213,043	170,391
	-----	-----
LESS : CURRENT LIABILITIES		
Trade creditors	36,820	24,344
Other creditors	21,683	8,790
Inter-company balances	69,751	134,576
Borrowings	47,163	13,367
Provision for taxation	584	742
	-----	-----
	176,001	181,819
	-----	-----
NET CURRENT ASSETS/(LIABILITIES)	37,042	(11,428)
	-----	-----
GOODWILL ON CONSOLIDATION	1,538	878
	-----	-----
	281,735	228,572
	=====	=====

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CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2001 - (Continued)

	AS AT END OF CURRENT QUARTER 30.6.2001 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 30.6.2000 RM'000
SHARE CAPITAL	75,853	75,353
RESERVES		
Share premium	85,429	85,022
Retained profits	116,942	63,728
Others	2	3
Treasury shares, at cost	(15,460)	-
	-----	-----
SHAREHOLDERS' FUNDS	262,766	224,106
MINORITY INTERESTS	4,460	2,364
LONG TERM BORROWINGS	-	5
OTHER LONG TERM LIABILITIES	14,509	2,097
	-----	-----
	281,735	228,572
	=====	=====
Net tangible assets per share (RM)	3.71	2.96
	=====	=====

QUARTERLY REPORT

Notes :

1. **Accounting Policies**

The quarterly financial statements have been prepared based on the same accounting policies and methods of computation adopted in the recent annual financial statements.

2. **Exceptional Item**

During the current financial year to date, there was no exceptional item.

3. **Extraordinary Item**

During the current financial year to date, there was no extraordinary item.

4. **Taxation**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/6/2001 RM'000	30/6/2000 RM'000	30/6/2001 RM'000	30/6/2000 RM'000
Malaysian taxation based on profit for the year	701	(1,172)	2,133	1,925
(Over)/Under provision in previous years	(276)	463	(276)	463
Transferred to deferred taxation	4,497	1,217	12,497	1,217
Tax on share of profits of associated companies	395	-	395	53
	----- 5,317 =====	----- 508 =====	----- 14,749 =====	----- 3,658 =====

The provision for taxation for the year reflects an effective tax rate lower than the Statutory Income Tax rate due mainly to the utilisation of unutilised capital allowances brought forward by the Company and certain of its subsidiaries against current year's profits and certain expenses which are treated differently for tax purposes.

The provision for taxation for current quarter reflects an effective tax rate higher than the Statutory Income Tax rate due mainly to certain expenses which are treated differently for tax purposes.

QUARTERLY REPORT

Notes - (Continued)

5. Pre-acquisition Profits

There was no pre-acquisition profits included in the results of the Group for the current financial year to date.

6. Sale of Investments

During the current financial year to date, there was no sale of investments by the Group.

7. Quoted Investments

(a) During the current financial year to date, there was no acquisition of quoted shares.

(b) There were no quoted investments held by the Group at the end of the current financial year to date.

8. Changes in Composition of the Group

There were no changes in the composition of the Group for the current financial year ended 30 June 2001 save for the completion, in April 2001, of the acquisition of 90.09% equity interest in C.I. Readymix Sdn Bhd, comprising 6,306,306 ordinary shares of RM1.00 each by YTL Cement Berhad

9. Corporate Proposals

Corporate proposal announced but pending completion is as follows:-

Proposed New 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 on 28 June, 2001 and is now pending the approval of the shareholders at an Extraordinary General Meeting to be convened.

10. Seasonality or Cyclicity of Operations

The Group is principally engaged in the business of manufacturing and supply of ordinary portland cement, slag cement, ready-mixed concrete and related services.

The demand for the Group’s products is generally dependent on the Malaysian economy in particular the infrastructure development, property development and construction activities.

QUARTERLY REPORT

Notes - (Continued)

11. Changes in Share Capital

For the current financial year to date, a total of 500,000 ordinary shares of RM1.00 each were issued pursuant to the exercise of options under the Employees Share Option Scheme.

As at 29 August, 2001 the Company purchased a total of 5,489,000 ordinary shares from the open market at an average price of RM2.82 per share. During the quarter ended 30 June, 2001, a total of 16,000 shares were purchased from the open market for a total consideration of RM42,075.40. The share buy-back transactions were financed by internally generated funds. The shares purchased are being held as treasury shares.

12. Group Borrowings and Debt Securities

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

	Short term RM'000	Long term RM'000	Total RM'000
Secured	5	-	5
Unsecured	47,158	-	47,158
	-----	-----	-----
	47,163	-	47,163
	=====	=====	=====

The borrowings are denominated in Ringgit Malaysia.

13. Contingent Liabilities

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

14. Off Balance Sheet Financial Instruments

No off balance sheet financial instruments were utilised for the current financial year to date.

15. Pending Material Litigation

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

16. Segment Information

No segment information is prepared as the Group's activities are predominantly in one industry segment and occur predominantly in Malaysia.

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Notes - (Continued)

17. **Comparison with Preceding Quarter**

	Current Year Quarter 30.6.2001 RM'000	Preceding Quarter 31.3.2001 RM'000
Revenue	110,557	89,415
Consolidated profit before taxation	9,659	18,241
Consolidated profit after taxation after minority interests	4,010	12,591
	=====	=====

The Group's revenue increased by RM21.1 million or 23.6% as compared to the preceding quarter. The increase in revenue was mainly contributed by the newly acquired subsidiary, C.I.Readymix Sdn Bhd which is principally engaged in the manufacture and supply of ready-mixed concrete. The consolidated profit before taxation had decreased by RM8.6 million or 47.0% and the consolidated profit after taxation after minority interests had decreased by RM8.6 million or 68.2%. The decrease in the profit before taxation was mainly due to the additional expenses provided for maintaining the plant & equipment and provision for doubtful debts during the current quarter.

18. **Review of the results**

For the current financial year to date, the Group achieved RM378.5 million revenue, whereas for the corresponding twelve months period ended 30 June, 2000, the Group's revenue was RM243.6 million. The consolidated profit before taxation increased from RM20.5 million in the financial year ended 30 June, 2000 to RM66.4 million in the financial year ended 30 June, 2001. This represents a 55.4% increase in revenue and 223.9% increase in consolidated profit before taxation.

The favourable results for the year ended 30 June, 2001 mainly resulted from the cessation of intense pricing competition amongst the manufacturers in the third quarter of the year ended 30 June, 2000 and continuing improvement of cement consumption in the construction industry during the current year ended 30 June, 2001.

The Group's revenue and consolidated profit before taxation were RM110.6 million and RM9.7 million for the quarter ended 30 June, 2001 and RM75.1 million and RM16.6 million for the quarter ended 30 June, 2000 respectively. By comparing the current quarter to the preceding year corresponding quarter, the revenue increased by 47.3% and profit before taxation decreased by 41.6%. The decrease in the profit before taxation for current quarter ended 30 June, 2001 was mainly due to the additional expenses provided for maintaining the plant & equipment and provision for doubtful debts.

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Notes - (Continued)

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 current financial year to date.

21. Dividend

The Board of Directors is pleased to recommend for the approval of the shareholders a First and Final Dividend of 10% less 28% tax for the year ended 30 June, 2001. The Book Closure and Payment Dates in respect of the aforesaid dividend will be determined by the Board at a later date.

There were no dividends declared for the financial year ended 30 June 2000.

By Order of the Board
YEOH SOO MIN
HO SAY KENG
Secretaries

Kuala Lumpur
Dated 30 August, 2001