

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the period ended 30 September 2002

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30.09.2002	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2001	3 MONTHS ENDED 30.09.2002 30.09.2001	
	RM'000	RM'000	RM'000	RM'000
REVENUE	95,454	108,479	95,454	108,479
OPERATING EXPENSES	(78,311)	(91,213)	(78,311)	(91,213)
OTHER OPERATING INCOME	668	507	668	507
PROFIT FROM OPERATION	17,811	17,773	17,811	17,773
FINANCE COSTS	(317)	(333)	(317)	(333)
	17,494	17,440	17,494	17,440
SHARE OF RESULTS OF ASSOCIATED COMPANY	360	3,462	360	3,462
PROFIT BEFORE TAXATION	17,854	20,902	17,854	20,902
TAXATION	(4,018)	(2,411)	(4,018)	(2,411)
PROFIT AFTER TAXATION	13,836	18,491	13,836	18,491
MINORITY INTEREST	125	(131)	125	(131)
NET PROFIT FOR THE PERIOD	13,961	18,360	13,961	18,360
EARNINGS PER SHARE				
Basic (Sen)	10.03	13.05	10.03	13.05
Diluted (Sen)	8.44	-	8.44	-

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2002

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CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT 30.9.2002 RM'000	AS AT 30.6.2002 RM'000
PROPERTY, PLANT & EQUIPMENT	190,242	189,263
	-----	-----
INVESTMENT IN ASSOCIATED COMPANIES	103,743	103,492
	-----	-----
CAPITAL WORK IN PROGRESS	4,960	4,960
	-----	-----
GOODWILL	396	396
	-----	-----
CURRENT ASSETS		
Inventories	13,070	9,395
Trade receivables	97,875	111,981
Other receivables	10,570	9,998
Inter-company Balances	1,004	570
Deposits, Bank & Cash Balances	69,369	66,979
	-----	-----
	191,888	198,923
	-----	-----
CURRENT LIABILITIES		
Trade payables	27,805	43,784
Other payables	31,966	26,708
Inter-Company Balances	27,443	46,302
Short term Borrowings	44,513	37,307
Taxation	777	512
	-----	-----
	132,504	154,613
	-----	-----
NET CURRENT ASSETS	59,383	44,310
	-----	-----
	358,725	342,421
	=====	=====

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CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	AS AT 30.9.2002 RM'000	AS AT 30.6.2002 RM'000
SHARE CAPITAL		
Ordinary shares	145,480	145,480
Preference shares		
RESERVES		
Share premium	15,802	15,802
Retained profits	187,124	173,163
Others	2	3
Treasury shares, at cost	(18,145)	(18,145)
	-----	-----
SHAREHOLDERS' FUNDS	330,263	316,303
MINORITY INTERESTS	3,282	3,407
LONG TERM LIABILITIES		
Deferred taxation	25,180	22,711
	-----	-----
	358,725	342,421
	=====	=====
Net Tangible Assets per share (Sen)	236.9	226.9
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2002

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2002**

	RM'000
Net cash (used in) operating activities	(747)
	=====
Net cash (used in) investing activities	(4,069)
	=====
Net cash generated from financing activities	7,206
	=====
Net (decrease) / increase in cash and cash equivalents	2,390
Cash and cash equivalents at beginning of the year	66,979

Cash and cash equivalent at end of the period (note a)	69,369
	=====

Note (a)

Cash and cash equivalent

	RM'000
Cash and bank balances	14,152
Fixed Deposit	55,217

Cash and cash equivalent at end of the period	69,369
	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2002

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2002**

	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Treasury Shares RM'000	Retained Profit RM'000	Total RM'000
As at 01 July 2002	145,480	15,802	3	(18,145)	173,163	316,303
Gain not recognised In Income statement -Foreign Currency Translation Difference			(1)			(1)
Profit for the period	-----	-----	-----	-----	13,961	13,961
As at 30 September 2002	<u>145,480</u>	<u>15,802</u>	<u>2</u>	<u>(18,145)</u>	<u>187,124</u>	<u>330,263</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30th June 2002

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Notes :

Disclosure requirement per MASB 26 – paragraph 16

A1. Accounting Policies

The interim financial report has been prepared based on the same accounting policies and methods of computation adopted in the most recent annual financial statement. There have been no significant changes to those policies.

A2. Audit Report of preceding financial year ended 30 June 2002

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

A3. Seasonality or Cyclicity of Operations

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

A4. 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.

A5. Changes in estimates of amounts reported

There was no change to estimate of amount reported in prior interim periods and prior financial years.

A6. Changes in Debt and Equity Securities

During the current financial quarter, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities

A7. Dividend

No dividend has been declared or paid for the current financial quarter.

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Notes : - continued

A8. Segment Reporting

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

A9. Valuation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

A10. Material Events Subsequent to the end of the interim period

There were no material events subsequent to the end of the current financial quarter.

A11. Changes in the Composition of the Group

There was no change in the composition of the Group for the current financial quarter.

A12. Changes in Contingent Liabilities

There has been no material change in the contingent liabilities of the Group since the last annual balance sheet as at 30 June 2002.

The Company has given corporate guarantees amounting to RM63 million to financial institutions for facilities granted by the financial institutions to its subsidiaries as follows :-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Letters of credit/trust receipts/bankers acceptances/ overdrafts/bankers guarantees	63,000	17,000
	=====	=====

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Notes : - continued

Disclosure requirement per KLSE listing requirements Part A of Appendix 9B

B1. Review of Performance

The Group's revenue and profit before taxation were RM95.45million and RM17.85 million for the three month period ended 30 September, 2002 and RM108.48 million and RM20.90 million for the corresponding period ended 30 September, 2001 respectively. By comparing the current financial year to date with the preceding year corresponding period, the revenue reduced by 12.01% and profit before taxation reduced by 14.59% due to reduced cement consumption in the construction industry.

B2. Comparison with Preceding Quarter

	Current Quarter 30.09.2002 RM'000	Preceding Quarter 30.06.2002 RM'000
Revenue	95,454	112,271
Consolidated profit before taxation	17,854	19,338
Consolidated profit after taxation after minority interests	13,961	15,267

During the current financial quarter ended 30 September 2002, the Group's recorded revenue of RM95.45million, representing a decrease of 14.98% from RM112.27 million in the preceding quarter.

The Group's profit before taxation reduced from RM19.34 million in the preceding quarter to RM17.85 million during the current quarter. The reduction in revenue and profit before taxation in the current quarter is substantially due to reduced cement consumption in the construction industry in the period under review.

B3. Prospects

After considering the current market demand for ready-mixed concrete and cement, the Group expects to achieve a satisfactory level of operating performance for the financial year ending 30 June, 2003.

B4. Profit Forecast

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

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Notes : - continued

B5. Taxation

Tax comprises the following:-

	Current Year Quarter 30.09.2002 RM'000	Current Year To Date 30.09.2002 RM'000
Tax charged for the period	1,440	1,440
Transferred to deferred taxation	2,469	2,469
Tax on share of profits of associated companies	109	109
	----- 4,018 =====	----- 4,018 =====

The provision for taxation for the current quarter and financial year to date reflects an effective tax rate lower than the statutory tax rate due mainly to the availability of reinvestment allowances.

B6. Sales of Unquoted Investment and /or Properties

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

B7. Quoted Investment

During the current financial quarter, there was no purchase or disposal of quoted investment. The Group does not have any quoted investment at the end of the current financial quarter.

B8. Corporate Development

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

B9. Group Borrowings and Debt Securities

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

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Notes : - continued

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	-	-	-
Unsecured	44,513	-	44,513
	-----	-----	-----
	44,513	-	44,513
	=====	=====	=====

The borrowings are denominated in Ringgit Malaysia.

B10. Off Balance Sheet Financial Instruments

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

B11. Material litigation

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

B12. Dividend

No dividend has been declared for the current financial quarter.

B13. Earnings Per Share

i) Basic earnings /(loss) per share

The basic earnings /(loss) per share of the Group has been computed by dividing the net profit for the financial quarter by the weighted average number of ordinary share in issue during the financial quarter.

	Current Quarter 30.09.2002	Preceding Year Corresponding Quarter 30.09.2001
Net profit /(loss) for the period (RM'000)	13,961	18,360
	=====	=====
Weighted average number of ordinary shares ('000)	139,253	140,729
	=====	=====
Basic earnings per share (sen)	10.03	13.05
	=====	=====

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Notes : - continued

ii) Diluted earnings /(loss) per share

The diluted earnings /(loss) per share of the Group has been computed by dividing the net profit for the financial quarter by the adjusted weighted average number of ordinary share, assuming full conversion of the warrants in issue during the financial quarter

	Preceding Year	
	Current Quarter 30.09.2002	Corresponding* Quarter 30.09.2001
Net profit /(loss) for the period (RM'000)	13,961	-
Weighted average number of ordinary shares('000)	139,253	-
-ordinary shares deemed issued for no consideration on assumed exercise of Warrants	26,239	-
Adjusted weighted average of ordinary shares	165,492	-
Diluted earnings per share (sen)	8.44	-

*As the fair value per share in the preceding year's corresponding quarter is below the conversion price of RM3.11 as per MASB 13, it is assumed that there is no conversion of warrants as it is anti-dilutive.

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

Kuala Lumpur
Dated : 28 November 2002