

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the period ended 31 March 2003

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31.03.2003	PRECEDING YEAR CORRESPONDING QUARTER 31.03.2002	9 MONTHS ENDED 31.03.2003 31.03.2002	
	RM'000	RM'000	RM'000	RM'000
REVENUE	117,681	100,183	308,393	308,897
OPERATING EXPENSES	(98,745)	(84,171)	(257,294)	(257,972)
OTHER OPERATING INCOME	1,306	447	3,250	1,713
PROFIT FROM OPERATION	20,242	16,459	54,349	52,638
FINANCE COSTS	(296)	(384)	(841)	(1,100)
SHARE OF RESULTS OF ASSOCIATED COMPANY	3,508	3,095	6,324	9,455
PROFIT BEFORE TAXATION	23,454	19,170	59,832	60,993
TAXATION	(3,857)	(4,434)	(10,462)	(9,325)
PROFIT AFTER TAXATION	19,597	14,736	49,370	51,668
MINORITY INTEREST	85	67	233	(58)
NET PROFIT FOR THE PERIOD	19,682	14,803	49,603	51,610
EARNINGS PER SHARE				
Basic (Sen)	14.13	10.63	35.61	36.97
Diluted (Sen)	11.82	9.13	29.87	33.78

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 31.03.2003 RM'000	AS AT 30.6.2002 RM'000
PROPERTY, PLANT & EQUIPMENT	192,938	189,263
	-----	-----
INVESTMENT IN ASSOCIATED COMPANIES	109,439	103,492
	-----	-----
CAPITAL WORK IN PROGRESS	4,960	4,960
	-----	-----
GOODWILL	396	396
	-----	-----
CURRENT ASSETS		
Inventories	10,860	9,395
Trade receivables	107,768	111,981
Other receivables	9,987	9,998
Inter-company Balances	4,529	570
Deposits, Bank & Cash Balances	72,169	66,979
	-----	-----
	205,313	198,923
	-----	-----
CURRENT LIABILITIES		
Trade payables	30,558	43,784
Other payables	36,671	26,708
Inter-Company Balances	36,179	46,302
Short term Borrowings	32,652	37,307
Taxation	545	512
	-----	-----
	136,605	154,613
	-----	-----
NET CURRENT ASSETS	68,708	44,310
	-----	-----
	376,441	342,421
	=====	=====

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CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	AS AT 31.03.2003 RM'000	AS AT 30.6.2002 RM'000
SHARE CAPITAL		
Ordinary shares	145,541	145,480
Preference shares		
RESERVES		
Share premium	15,836	15,802
Retained profits	202,714	173,163
Others	1	3
Treasury shares, at cost	(18,858)	(18,145)
	-----	-----
SHAREHOLDERS' FUNDS	345,234	316,303
MINORITY INTERESTS	3,174	3,407
LONG TERM LIABILITIES		
Deferred taxation	28,033	22,711
	-----	-----
	376,441	342,421
	=====	=====
Net Tangible assets per share (Sen)	248.2	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 31 MARCH 2003**

	RM'000
Net cash (used in) operating activities	43,265
	=====
Net cash (used in) investing activities	(12,749)
	=====
Net cash generated from financing activities	(25,326)
	=====
Net (decrease) / increase in cash and cash equivalents	5,190
Cash and cash equivalents at beginning of the year	66,979

Cash and cash equivalent at end of the period (note a)	72,169
	=====

Note (a)

Cash and cash equivalent

	RM'000
Cash and bank balances	9,900
Fixed Deposit	62,269

Cash and cash equivalent at end of the period	72,169
	=====

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 31 MARCH 2003**

	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
Issue of Share Capital	61	34				95
Gain not recognised In Income statement -Foreign Currency Translation Difference			(2)			(2)
Profit for the period					49,603	49,603
Shares repurchased				(713)		(713)
Dividend paid					(20,052)	(20,052)
	-----	-----	-----	-----	-----	-----
As at 31 March 2003	<u>145,541</u>	<u>15,836</u>	<u>1</u>	<u>(18,858)</u>	<u>202,714</u>	<u>345,234</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 for the current financial quarter.

Dividend amounting to RM20,052,380 was paid on 17th January, 2003 in respect of the first & final dividend of 20% less 28% tax declared for year ended 30th June 2002.

INTERIM FINANCIAL REPORT

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.

For the current financial year to date, a total of 61,000 ordinary shares of RM1.00 each were issued pursuant to the exercise of 61,000 1994/2004 warrants.

As at 21 May, 2003 the Company purchase a total 6,472,000 ordinary shares from the open market at an average price of RM2.91 per shares. During the quarter ended 31st March 2003, a total of 245,000 shares were purchased from the open market for a total consideration of RM712,725. The shares buy-back were financed by internally generated funds. The shares are being held as treasury shares.

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 RM78 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	78,000	15,184

INTERIM FINANCIAL REPORT

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 RM308.39 million and RM59.83 million for the nine month period ended 31 March, 2003 and RM308.90 million and RM60.99 million for the corresponding period ended 31 March, 2002 respectively. By comparing the current financial year to date with the preceding year corresponding period, the revenue reduced by 0.16% and profit before taxation reduced by 1.90%. due to competitive pricing in the cement industry in the quarter ended 31 December 2002.

B2. Comparison with Preceding Quarter

	Current Quarter 31.03.2003 RM'000	Preceding Quarter 31.12.2002 RM'000
Revenue	117,681	95,258
Consolidated profit before taxation	23,454	18,523
Consolidated profit after taxation after minority interests	19,682	15,959

During the current financial quarter ended 31 March 2003, the Group recorded a revenue of RM117.68 million, representing an increase of 23.54% from RM95.26 million in the preceding quarter.

The Group's profit before taxation increased from RM18.52 million in the preceding quarter to RM23.45 million representing an increase of 26.62%. The favourable results for the current quarter is mainly attributable to stable prices and improvement of cement consumption in the construction industry.

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 31.03.2003 RM'000	Current Year To Date 31.03.2003 RM'000
Tax charged for the period	1,794	4,762
Transferred to deferred taxation	1,952	5,322
Tax on share of profits of associated companies	111	378
	----- 3,857 =====	----- 10,462 =====

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	32,652	-	32,652
	-----	-----	-----
	32,652	-	32,652
	=====	=====	=====

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 31.03.2003	Preceding Year Corresponding Quarter 31.03.2002
Net profit /(loss) for the period (RM'000)	19,682	14,803
	=====	=====
Weighted average number of ordinary shares ('000)	139,279	139,253
	=====	=====
Basic earnings per share (sen)	14.13	10.63
	=====	=====

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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 31.03.2003	Corresponding Quarter 31.03.2002
Net profit /(loss) for the period (RM'000)	19,682	14,803
Weighted average number of ordinary shares('000)	139,279	139,253
-ordinary shares deemed issued for no consideration on assumed exercise of Warrants	26,270	22,830
Adjusted weighted average of ordinary shares	166,549	162,083
Diluted earnings per share (sen)	11.82	9.13

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

Kuala Lumpur
Dated : 22 May 2003