

YTL CEMENT BERHAD

Company No. 31384-K
Incorporated in Malaysia

Interim Financial Report
31 December 2011

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the financial quarter ended 31 December 2011.
The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER PRECEDING YEAR		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.12.2011 RM'000	CORRESPONDING QUARTER 31.12.2010 RM'000	6 MONTHS ENDED 31.12.2011 31.12.2010 RM'000 RM'000	
REVENUE	603,682	560,698	1,148,370	1,023,695
COST OF SALES	(384,849)	(353,305)	(734,517)	(630,754)
GROSS PROFIT	218,833	207,393	413,853	392,941
OTHER OPERATING EXPENSE	(95,511)	(85,490)	(185,366)	(162,776)
OTHER OPERATING INCOME	10,177	9,332	18,867	17,725
PROFIT FROM OPERATION	133,499	131,235	247,354	247,890
FINANCE COSTS	(10,081)	(9,107)	(20,872)	(18,169)
SHARE OF PROFIT OF ASSOCIATED COMPANIES	311	146	613	190
PROFIT BEFORE TAXATION	123,729	122,274	227,095	229,911
TAXATION	(21,384)	(14,005)	(38,552)	(26,367)
DEFERRED TAXATION	(9,903)	(17,218)	(20,162)	(32,515)
PROFIT FOR THE PERIOD	92,442	91,051	168,381	171,029
PROFIT ATTRIBUTABLE TO :				
Owners of the Parent	92,134	81,793	167,932	154,414
Non-Controlling Interests	308	9,258	449	16,615
PROFIT FOR THE PERIOD	92,442	91,051	168,381	171,029
EARNINGS PER SHARE				
Basic (Sen)				
• Before Mandatory Conversion of ICULS	19.35	17.36	35.54	32.79
• After Mandatory Conversion of ICULS	12.96	11.59	23.74	21.88
Diluted (Sen)	12.96	11.53	23.74	21.77

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.

YTL CEMENT BERHAD (Company No. 31384-K)
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER PRECEDING YEAR		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.12.2011 RM'000	CORRESPONDING QUARTER 31.12.2010 RM'000	6 MONTHS ENDED	
			31.12.2011 RM'000	31.12.2010 RM'000
PROFIT FOR THE PERIOD	92,442	91,051	168,381	171,029
OTHER COMPREHENSIVE INCOME/(LOSS):				
Currency translation differences	2,875	2,558	18,078	2,655
	-----	-----	-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	95,317	93,609	186,459	173,684
	=====	=====	=====	=====
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :				
Owners of the Parent	95,009	84,351	186,010	157,069
Non-Controlling Interests	308	9,258	449	16,615
	-----	-----	-----	-----
	95,317	93,609	186,459	173,684
	=====	=====	=====	=====

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements

YTL CEMENT BERHAD (Company No. 31384-K)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT 31.12.2011 RM'000	AUDITED AS AT 30.06.2011 RM'000
ASSETS		
Non-current Asset		
Property, plant & equipment	1,767,387	1,764,050
Investment properties	11,000	11,000
Investment in associated companies	5,897	5,284
Development expenditure	5,156	5,065
Goodwill on consolidation	142,995	142,995
	-----	-----
	1,932,435	1,928,394
	-----	-----
Current Assets		
Inventories	179,314	208,519
Trade & other receivables	399,187	349,154
Tax recoverable	7,653	10,254
Inter-company balances	14,436	12,232
Deposits, bank & cash balances	1,378,476	1,294,626
	-----	-----
	1,979,066	1,874,785
	-----	-----
TOTAL ASSETS	3,911,501	3,803,179
	=====	=====

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued

	UNAUDITED AS AT 31.12.2011 RM'000	AUDITED AS AT 30.06.2011 RM'000
EQUITY		
Shares capital	249,688	246,490
Share premium	136,187	125,804
Other reserves	35,287	17,209
Retained profits	1,642,094	1,483,123
ICULS - equity component	369,470	369,470
Treasury shares, at cost	(83,766)	(83,766)
	-----	-----
Total Equity Attributable to Owners of the Parent	2,348,960	2,158,330
Non-Controlling Interests	6,542	6,093
	-----	-----
TOTAL EQUITY	2,355,502	2,164,423
	-----	-----
LIABILITIES		
Other payables	23,093	25,422
Bank borrowings	292,335	292,335
Finance lease liabilities	255	3,274
Deferred taxation	202,314	182,152
ICULS - liability component	88,068	96,031
	-----	-----
Total Non-current Liabilities	606,065	599,214
	-----	-----
Trade payables	415,975	421,305
Finance lease liabilities	5,733	5,331
Inter-company balances	5,513	7,277
Short term borrowings	496,597	559,589
Provision for taxation	26,116	28,357
Proposed dividend	-	17,683
	-----	-----
Total Current Liabilities	949,934	1,039,542
	-----	-----
TOTAL LIABILITIES	1,555,999	1,638,756
	-----	-----
TOTAL EQUITY & LIABILITIES	3,911,501	3,803,179
	=====	=====
Net assets per 50 sen share (RM)	4.92	4.58
	=====	=====

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements

YTL CEMENT BERHAD (Company No. 31384-K)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011

	← Attributable to Owners of the Parent →						Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profit RM'000	Treasury Shares RM'000	ICULS Equity RM'000			
As at 1 July 2011									
-as previous reported	246,490	125,804	17,209	1,483,123	(83,766)	369,470	2,158,330	6,093	2,164,423
Profit for the period	-	-	-	167,932	-	-	167,932	449	168,381
Other comprehensive income	-	-	18,078	-	-	-	18,078	-	18,078
Total comprehensive income for the period	-	-	18,078	167,932	-	-	186,010	449	186,459
Irredeemable Convertible Unsecured Loan Stocks	-	-	-	-	-	-	-	-	-
Dividend paid/declared	-	-	-	(8,961)	-	-	(8,961)	-	(8,961)
Treasury shares	-	-	-	-	*	-	*	-	*
Issue of Share Capital	3,198	10,383	-	-	-	-	13,581	-	13,581
Share-based payment under ESOS	-	-	-	-	-	-	-	-	-
As at 31 December 2011	249,688	136,187	35,287	1,642,094	(83,766)	369,470	2,348,960	6,542	2,355,502

* Less than RM1,000

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements

YTL CEMENT BERHAD (Company No. 31384-K)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2010

	← Attributable to Owners of the Parent →						Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profit RM'000	Treasury Shares RM'000	ICULS Equity RM'000			
As at 1 July 2010									
-as previous reported	246,078	124,304	(2,440)	1,158,763	(83,403)	370,295	1,813,597	239,735	2,053,332
Profit for the period	-	-	-	154,414	-	-	154,414	16,615	171,029
Other comprehensive income	-	-	2,655	-	-	-	2,655	-	2,655
Total comprehensive income for the period	-	-	2,655	154,414	-	-	157,069	16,615	173,684
Irredeemable Convertible Unsecured Loan Stocks	-	-	-	-	-	(807)	(807)	-	(807)
Dividend paid/declared	-	-	-	(8,837)	-	-	(8,837)	(300)	(9,137)
Treasury shares	-	-	-	-	(358)	-	(358)	-	(358)
Issue of Share Capital	288	890	-	-	-	-	1,178	-	1,178
Acquisition of Subsidiary	-	-	-	49,366	-	-	49,366	(250,064)	(200,698)
Share-based payment under ESOS	-	-	445	-	-	-	445	-	445
As at 31 December 2010	246,366	125,194	660	1,353,706	(83,761)	369,488	2,011,653	5,986	2,017,639

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements

YTL CEMENT BERHAD (Company No. 31384-K)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	FOR THE SIX MONTHS ENDED	
	31.12.2011	31.12.2010
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	227,095	229,911
Adjustments for :-		
Depreciation	67,775	66,758
Net financing costs	7,578	10,121
Share of loss of equity-accounted investees, net of tax	(613)	(190)
Other non-cash items	17,986	2,291
	-----	-----
Operating profit before working capital changes	319,821	308,891
Net change in current assets	(20,827)	(18,480)
Net change in current liabilities	(12,043)	29,634
	-----	-----
Cash generated from operations	286,951	320,045
Interest paid	(28,418)	(25,725)
Interest received	13,294	8,048
Tax paid	(38,193)	(17,452)
	-----	-----
Net cash from operating activities	233,634	284,916
	=====	=====
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of additional shares in existing subsidiary	-	(200,698)
Purchase of property, plant & equipment	(71,112)	(30,622)
	-----	-----
Net cash used in investing activities	(71,112)	(231,320)
	=====	=====

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements

YTL CEMENT BERHAD (Company No. 31384-K)
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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - continued

	FOR THE SIX MONTHS ENDED	
	31.12.2011	31.12.2010
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(26,644)	(26,792)
Proceeds from issue of shares	13,581	1,178
Purchase of own shares (net)	*	(358)
Proceeds from/(Repayment of) borrowings (net)	(62,992)	77,043
Repayment of finance lease liabilities (net)	(2,617)	(2,493)
	-----	-----
Net cash from/(used in) financing activities	(78,672)	48,578
	=====	=====
Net changes in cash and cash equivalents	83,850	102,174
Cash and cash equivalents at beginning of the financial period	1,294,626	921,977
	-----	-----
Cash and cash equivalents at end of the financial period (note a)	1,378,476	1,024,151
	=====	=====

* Less than RM1,000

Note (a)

Cash and cash equivalents comprise:

	RM'000	RM'000
Fixed deposits	1,341,988	936,735
Cash and bank balances	36,488	87,416
	-----	-----
	1,378,476	1,024,151
	=====	=====

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements

INTERIM FINANCIAL REPORT

Disclosure requirements pursuant to FRS 134 – paragraph 16A

The interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 30 June 2011.

A1. Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (“FRS”) 134 Interim Financial Reporting and Chapter 9, Part K paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The explanatory notes contained herein provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2011.

The accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the latest audited annual financial statements except for the adoption of new and revised FRSs, amendments to FRSs and Interpretation Committee (“IC”) Interpretations which were effective for financial period beginning 1 July 2011.

The adoption of the new and revised FRSs, amendments to FRSs and IC Interpretations do not have significant financial impact on the Group.

A2. Seasonality or Cyclicity of Operations

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

A3. 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.

A4. Changes in Estimates of Amounts Reported

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

INTERIM FINANCIAL REPORT

Notes: - continued

A5. Changes in Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following:-

- (i) During the current financial quarter, 4,968,000 ordinary shares of RM0.50 each was issued pursuant to the exercise of employee's share options granted under the Company's Employees Share Option Scheme at a weighted average exercise price of RM2.08 per share. For the current financial year to date, a total of 6,397,000 ordinary shares of RM0.50 each were issued at an weighted average exercise price of RM2.12 pursuant to the exercise of ESOS.
- (ii) During the current financial year to date, the Company repurchased a total of 100 ordinary shares of its issued share capital from the open market for a total consideration including transaction costs of RM499.14 at an average cost of RM4.99 per share. The shares are being held as treasury shares. As at 31 December 2011, the total shares bought back, all of which are held as treasury shares, amounted to 21,425,764 ordinary shares.

A6. Dividend

A third interim single tier dividend of 7.5% or 3.75 sen per ordinary share of RM0.50 each amounting to RM17,683,278 in respect of the financial year ended 30 June 2011 was paid on 15 July 2011.

A fourth interim single tier dividend of 3.75% or 1.875 sen per ordinary share of RM0.50 each amounting to RM8,961,116 in respect of the financial year ended 30 June 2011 was paid on 24 November 2011.

A7. Segment Information

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

A8. Events after the interim period

There was no item, transaction or event of a material or unusual nature during the period from the end of the quarter under review to the date of this report.

INTERIM FINANCIAL REPORT

Notes: - continued

A9. Changes in the Composition of the Group

There were no changes in the composition of the Group for the financial period ended 31 December 2011, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations except for the following:-.

- (i) On 18 July 2011, YTL Cement Singapore Pte Ltd (“YTL Cement Singapore”), a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary known as YTL Cement Terminal Services Pte Ltd (“YTL Cement Terminal Services”) in Singapore with an issued and paid-up share capital of S\$1.00 comprising 1 ordinary share. YTL Cement Terminal Services will be principally involved in the operation of port terminal and specialize in handling of cementitious products.

YTL Cement Singapore subscribed for an additional 499,999 ordinary shares in YTL Cement Terminal Services on 1 September 2011. As a result, YTL Cement Singapore holds a total of 500,000 ordinary shares, representing 100% of the issued and paid-up capital of YTL Cement Terminal Services.

- (ii) On 22 December 2011, the Company and its wholly-owned subsidiaries, Awan Serunding Sdn Bhd and Tugas Sejahtera Sdn Bhd transferred the following shares, representing the entire issued and paid-up share capital of Straits Cement Sdn Bhd to Pahang Cement Sdn Bhd, another wholly-owned subsidiary of the Company, for a total cash consideration of RM1 million (“the Share Transfers”):

- 2,000,000 ordinary shares of RM1.00 each by the Company;
- 2,250,000 ordinary shares of RM1.00 each by Awan Serunding Sdn Bhd; and
- 5,750,000 ordinary shares of RM1.00 each by Tugas Sejahtera Sdn Bhd.

As a result of the Share Transfers, Straits Cement Sdn Bhd has become a direct subsidiary of Pahang Cement Sdn Bhd and remains an indirect subsidiary of the Company.

Straits Cement Sdn Bhd was incorporated in Malaysia on 12 November 1991 and is principally involved in the production and sale of cement.

A10. Changes in Contingent Liabilities

There were no material changes in the contingent liabilities of the Group since the last financial year ended 30 June 2011.

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INTERIM FINANCIAL REPORT

Disclosure requirements per Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities

B1. Review of Performance

During the current financial quarter ended 31 December 2011, the Group recorded a revenue of RM603.7 million, representing an increase of 7.67% as compared to RM560.7 million recorded in the preceding year corresponding quarter ended 31 December 2010.

In tandem with the increase in revenue, the Group recorded profit before taxation of RM123.7 million representing increase of 1.19% as compared to RM122.3 million recorded in the preceding year corresponding quarter ended 31 December 2010. The increase in profit before tax was substantially attributed to higher demand of cement in construction industry and contribution from offshore subsidiaries.

B2. Comparison with Preceding Quarter

	Current Quarter 31.12.2011 RM'000	Preceding Quarter 30.09.2011 RM'000
Revenue	603,682	544,687
Consolidated profit before taxation	123,729	103,365
Consolidated profit after taxation after non-controlling interests	92,134	75,798

During the current financial quarter ended 31 December 2011, the Group recorded a revenue of RM603.7 million, representing an increase of 10.83% from RM544.7 million recorded in the preceding quarter.

In tandem with the increase in revenue, the Group profit before taxation for the current financial quarter increased from RM103.4 million recorded in the preceding quarter to RM123.7 million.

The increase in profit before tax was substantially attributed to higher demand for cement and ready-mixed concrete in the domestic construction industry and contribution from offshore subsidiaries for the financial quarter under review.

B3. Prospects

The Group, after considering the Group's current level of operations and current market conditions, is expected to achieve satisfactory performance for the financial year ending 30 June 2012.

INTERIM FINANCIAL REPORT

Notes: - continued

B4. Profit Forecast

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

B5. Profit for the period

	Current Year Quarter 31.12.2011 RM'000	Current Year To Date 31.12.2011 RM'000
Profit for the period is arrived at after charging/(crediting): -		
Depreciation	34,368	67,775
Interest income	(6,819)	(13,294)

B6. Taxation

Tax comprises the following: -

	Current Year Quarter 31.12.2011 RM'000	Current Year To Date 31.12.2011 RM'000
Tax charged for the financial period	21,384	38,552
Transferred to deferred taxation	9,903	20,162
	----- 31,287 =====	----- 58,714 =====

The provision for taxation for the current quarter and current year to date reflects an effective rate which approximates to the Statutory Income Tax Rates of the countries where the Group operates.

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INTERIM FINANCIAL REPORT

Notes: - continued

B7. Corporate Proposals

Save for the following, there are no corporate proposals announced and pending as at the date of this report:-

- (a) On 19 December 2011, the Company announced receipt of a notice of conditional share exchange offer from CIMB Investment Bank Berhad, on behalf of YTL Industries Berhad (“Offeror”), a wholly-owned subsidiary of YTL Corporation Berhad (“YTL Corp” or “Ultimate Offeror”), to acquire the following securities of the Company through the issuance of ordinary shares of RM0.10 each in YTL Corp (“YTL Corp Shares”) at an issue price of RM1.42 each:
- (i) all the remaining voting shares of RM0.50 each (excluding treasury shares) in the Company (“YTL Cement Shares”) and such number of new YTL Cement Shares that may be issued pursuant to the conversion of any outstanding irredeemable convertible unsecured loan stocks with a nominal value of RM1.00 each in the Company (“ICULS”) prior to the close of the Offer (as defined below) which are not already held by the Offeror and the Ultimate Offeror (“Offer Shares”), at an offer price of RM4.50 for each Offer Share, which translates to an exchange ratio of approximately 3.17 YTL Corp Shares for each Offer Share (“Shares Offer”); and
 - (ii) all the remaining ICULS which are not already held by the Offeror and the Ultimate Offeror (“Offer ICULS”), at an offer price of RM2.21 for each Offer ICULS, which translates to an exchange ratio of approximately 1.56 YTL Corp Shares for each Offer ICULS (“ICULS Offer”).

The Shares Offer and ICULS Offer are collectively referred to as the “Offer”. The Offer Shares and Offer ICULS are collectively referred to as the “Offer Securities”.

- (b) On 28 December 2011, the Company appointed OSK Investment Bank Berhad as the independent adviser in respect of the Offer.

The Securities Commission has vide its letter dated 9 January 2012, taken note of the said appointment.

- (c) On 20 January 2012, the Offeror received valid acceptances in respect of YTL Cement Shares not already owned by the Offeror and Ultimate Offeror, resulting in the Offeror and Ultimate Offeror holding, together with such YTL Cement Shares that are already acquired, held or entitled to be acquired or held, more than 50% of the total voting shares of the Company as at 20 January 2012 (“50% Acceptance Condition”). Accordingly, the Offer became unconditional as to the 50% Acceptance Condition on 20 January 2012.
- (d) On 8 February 2012, the Ministry of International Trade and Industry approved the Offer. All the conditions of the Offer have been fulfilled and the Offer became unconditional on 8 February 2012.
- (e) The closing date for the Offer was extended to 5.00 p.m. (Malaysian time) on Friday, 24 February 2012.

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Notes: - continued

- (f) The Offeror and Ultimate Offeror collectively hold 77.46% of the issued and paid-up share capital (excluding treasury shares) of the Company as at 5.00 p.m. on 9 February 2012.

As the public shareholding spread of the Company stands at 15.16%, which is below the required 25% threshold, the Company is in non-compliance with the public shareholding spread requirement (“Public Shareholding Spread Requirement”) as set out in Paragraph 8.02(1) of the Main Market Listing Requirements (“Main LR”) of Bursa Securities.

The Offeror has stated in its offer document for the Offer dated 9 January 2012 (“Offer Document”) that it does not intend to maintain the listing status of the Company in the event that the Company is unable to comply with the public spread requirement as a result of acceptances received pursuant to the Offer and will procure the Company to take the necessary procedures to withdraw its listing status from the Official List of Bursa Securities in accordance with the Listing Requirements.

- (g) On 21 February 2012, YTL Cement announced that Bursa Securities had, via its letter dated 17 February 2012, granted YTL Cement an extension of time until the completion of the corporate proposals as stipulated in the Offer Document to comply with the Public Shareholding Spread Requirement.
- (h) On 21 February 2012, YTL Corp announced that the Offeror had received valid acceptances in respect of the Offer resulting in the Offeror, Ultimate Offeror and YTL Power International Berhad, a person acting in concert with them, collectively holding more than 90% of the listed shares (excluding treasury shares) of YTL Cement as at 21 February 2012. In accordance with Paragraph 16.02(3) of the Main LR, Bursa Securities will suspend the trading of YTL Cement shares and ICULS with effect from 9.00 a.m. on 29 February 2012, being 5 market days from the date of the announcement. The Offeror will also procure YTL Cement to make an application to Bursa Securities for the withdrawal of its listing status from the Official List of Bursa Securities pursuant to Paragraph 16.07(a) of the Main LR.
- (i) On 22 February 2012, YTL Corp announced a final extension of time for the acceptance of the Offer to 5.00 p.m. on 9 March 2012.

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YTL CEMENT BERHAD (Company No. 31384-K)
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Notes: - continued

B8. Group Borrowings and Debt Securities

The Group's borrowings from financial institutions as at 31 December 2011 are as follows :

	Short term RM'000	Long term RM'000	Total RM'000
Secured	66,672	277,335	344,007
Unsecured	429,925	15,000	444,925
	-----	-----	-----
	496,597	292,335	788,932
	=====	=====	=====

The borrowings which are denominated in foreign currency are as follows :-

In US Dollar ('000)	50,000
	=====

B9. Material litigation

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

B10. Dividend

No dividend has been declared for the current financial quarter.

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YTL CEMENT BERHAD (Company No. 31384-K)
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Notes: - continued

B11. Retained Earnings

	As at 31.12.2011 RM'000	As at 30.06.2011 RM'000
Retained earnings/ (accumulated losses) of YTL Cement and its subsidiaries		
- Realised	1,990,533	1,805,179
- Unrealised	(202,314)	(182,152)
	-----	-----
	1,788,219	1,623,027
Retained earnings/ (accumulated losses) from associated companies:		
- Realised	2,097	1,484
	-----	-----
	1,790,316	1,624,511
Less: Consolidation adjustments	(148,222)	(141,388)
	-----	-----
Total Group retained earnings as per consolidated accounts	1,642,094	1,483,123
	=====	=====

B12. Earnings Per Share

i) Basic earnings per share

The basic earnings per share of the Group has been computed by dividing the profit attributable to Owners of the Parent for the financial quarter by the weighted average number of ordinary share in issue during the financial quarter, assuming full conversion of 479,019,780 nominal value 100% of ICULS.

	Current Quarter 31.12.2011	Preceding Year Corresponding Quarter 31.12.2010
Profit attributable to Owners of the Parent (RM'000)	92,134	81,793
	=====	=====
Weighted average number of ordinary shares ('000)	476,141	471,123
Assumed full conversion of ICULS	234,814	234,824
	-----	-----
	710,955	705,947
	=====	=====
Basic earnings per 50 sen share (sen)		
o Before Mandatory conversion of ICULS	19.35	17.36
	=====	=====
o After Mandatory conversion of ICULS	12.96	11.59
	=====	=====

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Notes: - continued

ii) Diluted earnings per share

The diluted earnings per share of the Group has been computed by dividing the profit attributable to Owners of the Parent for the financial quarter by the adjusted weighted average number of ordinary share, assuming fully exercise of ESOS during the financial quarter.

	Current Quarter 31.12.2011	Preceding Year Corresponding Quarter 31.12.2010
Profit attributable to Owners of the Parent (RM'000)	92,134 =====	81,793 =====
Weighted average number of ordinary shares('000)	710,955	705,947
-ordinary shares deemed issued for no consideration on assumed exercise of ESOS('000)	- ----- 710,955 =====	3,735 ----- 709,682 =====
Diluted earnings per 50 sen share (sen)	12.96 =====	11.53 =====

B13. Audit Report of the preceding financial year ended 30 June 2011

The Auditors' Report on the financial statements of the financial year ended 30 June 2011 did not contain any qualification.

By Order of the Board

HO SAY KENG
Secretary

Kuala Lumpur
Dated : 23 February 2012