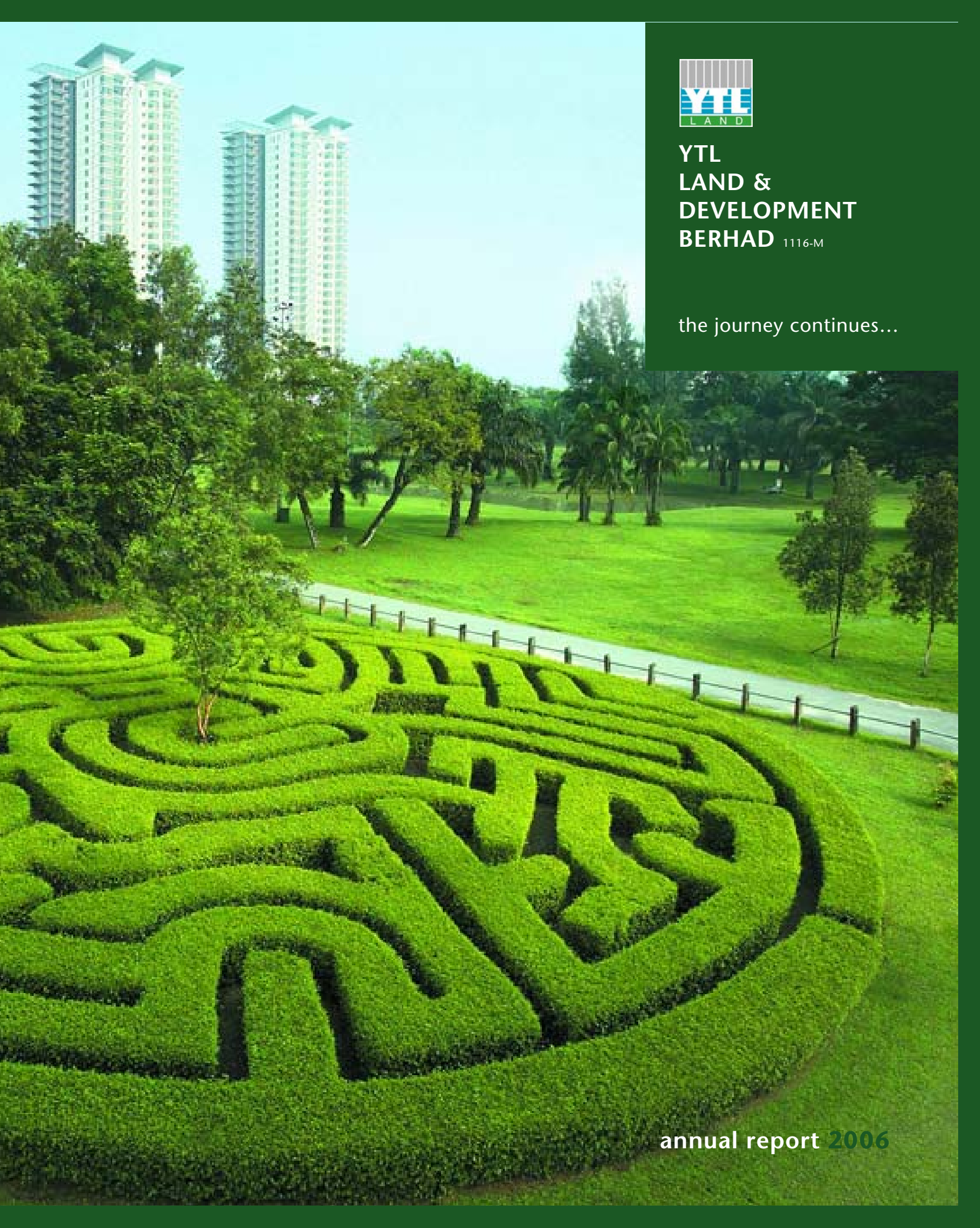




**YTL  
LAND &  
DEVELOPMENT  
BERHAD** 1116-M

the journey continues...



annual report 2006



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## Corporate

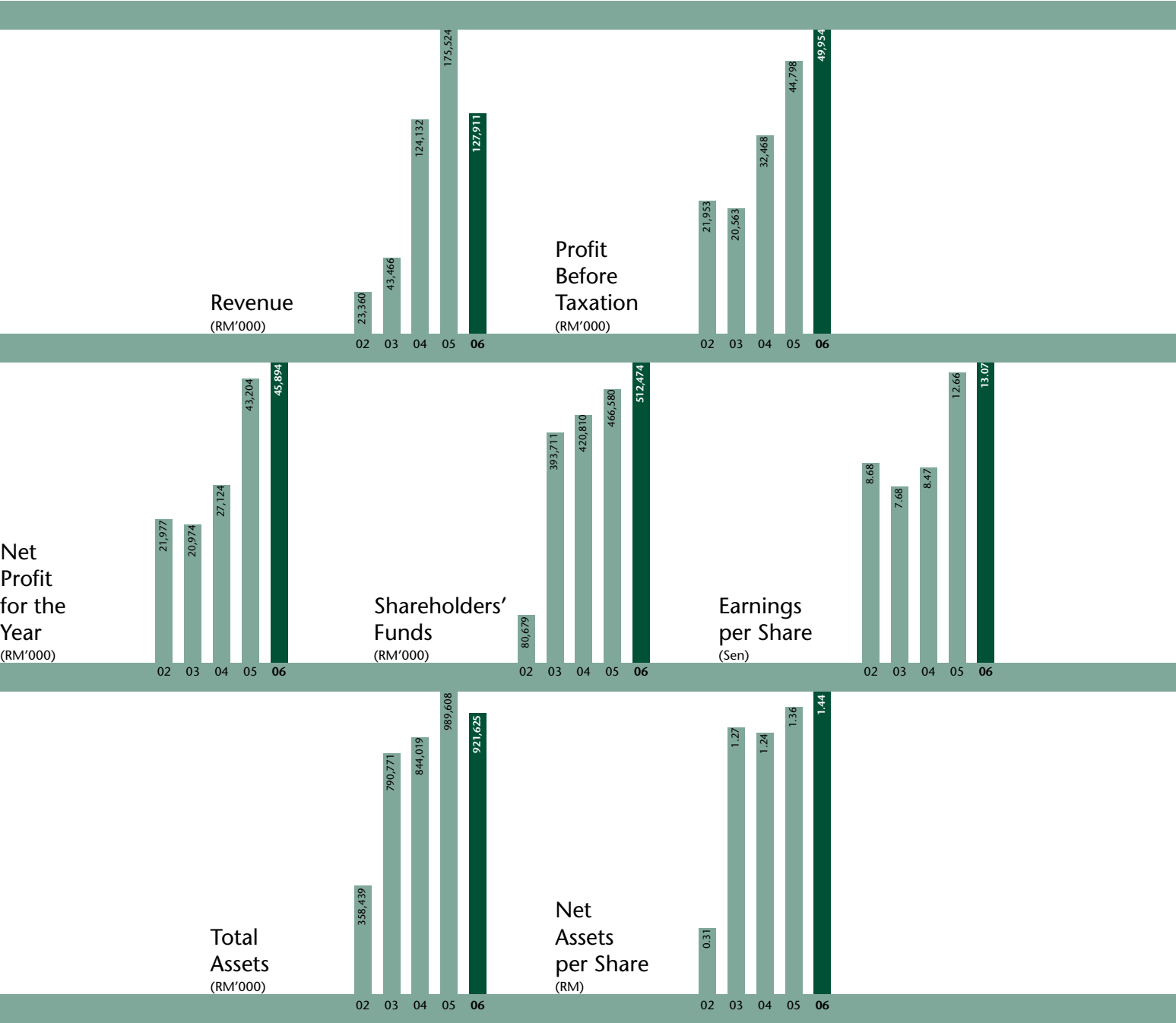
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Form of Proxy

# Financial Highlights



## Financial Highlights

	2006	2005	2004	2003	2002
Revenue (RM'000)	127,911	175,524	124,132	43,466	23,360
Profit Before Taxation (RM'000)	49,954	44,798	32,468	20,563	21,953
Net Profit for the Year (RM'000)	45,894	43,204	27,124	20,974	21,977
Shareholders' Funds (RM'000)	512,474	466,580	420,810	393,711	80,679
Earnings per Share (Sen)	13.07	12.66	8.47	7.68	8.68
Total Assets (RM'000)	921,625	989,608	844,019	790,771	358,439
Net Assets per Share (RM)	1.44	1.36	1.24	1.27	0.31

# Chairman's Statement



**DATO' SULEIMAN BIN ABDUL MANAN**

Chairman

On behalf of the Board of Directors of YTL Land & Development Berhad ("YTL L&D"), I have the pleasure of presenting to you the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 30 June 2006.

## OVERVIEW

The Malaysian economy has remained robust with real Gross Domestic Product (GDP) projected to grow by 5.8% during 2006, an increase of 0.6% over growth of 5.2% in 2005. Consumer sentiments, however, have been dampened by rising interest rates, with the base lending rate of commercial banks increasing in tandem with the adjustments in the overnight policy rate (OPR) during the year under review. Persistently high fuel costs, a weak stock market and other inflationary pressures, such as the 12% increase in electricity tariffs in June this year, have also been contributory factors.

As a result, the domestic property market experienced a marginal slow-down in sales and new launches, although sales of landed properties in prime locations remained strong, with good demand levels from both foreign and local buyers. Selective well-located projects continued to see robust selling momentum, despite a weakened residential market at the fringe of the Klang Valley region.

In light of these market conditions, the Group tempered launches this year and launched one new phase of the Sentul project. The Saffron at Sentul East comprises 490 units of condominium units in 4 high-rise blocks and is the second property launched in Sentul East, following the handing-over of The Tamarind reported last year.

Implementation of the Group's masterplan for the regeneration of Sentul continued during the year under review with the official launch of the Sentul Park Koi Centre by Y.A.B. Dato' Seri Abdullah bin Haji Ahmad Badawi, Prime Minister of Malaysia, in February this year. This dedicated centre features landscaped Koi ponds, an audio-visual centre, library and an abundance of other resources all designed to cater to Koi enthusiasts. The launch of the Sentul Park Koi Centre was followed by the completion of construction of The Maple at Sentul West in August 2006, as well as the new Sentul Link, which became operational in July this year and has greatly improved traffic flow and access to Sentul.

## Chairman's Statement

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The Government's drive to encourage foreign investment via the 'Malaysia: My Second Home' initiative has helped to promote the country as a choice destination for property investment by foreigners and greatly broadened the customer base of the domestic property market. Both The Maple and The Saffron have attracted a diverse range of foreign buyers from Singapore and other parts of Asia, Europe and Australia, in addition to Malaysian buyers.

The Group was honoured to receive two top property awards this year. In July 2006, YTL L&D was named one of the Top 10 companies in The Edge Top Property Developers Awards 2006, which assesses companies in terms of quantitative attributes, such as shareholders' funds, revenue, profit and gearing, and qualitative attributes such as quality of product, innovation and creativity, value creation for buyers, image and expertise.

YTL L&D also won the prestigious FIABCI Malaysia Property Award 2006 in the Best Residential Development (High Rise) Category for Andalucia at Pantai Hillpark. Developed by Syarikat Kemajuan Perumahan Negara Sdn Bhd, a wholly-owned subsidiary of YTL L&D, Andalucia at Pantai Hillpark comprises low density condo-villas that seamlessly combine form and functionality utilising Mediterranean-style architecture and landscaping.

### FINANCIAL PERFORMANCE

For the financial year ended 30 June 2006, the Group achieved an 11.5% increase in profit before taxation to RM49.95 million, compared to RM44.80 million last year. Net profit grew by 6.2% to RM45.89 million, compared to RM43.20 million for the previous corresponding year ended 30 June 2005. Meanwhile, revenue dropped to RM127.91 million for the year ended 30 June 2006 from RM175.52 million last year, due mainly to lower revenue recognition resulting from the timing of project launches by the Group's subsidiary companies.

The profit increase resulted from additional sales and higher profit recognition recorded for The Maple condominiums under the Group's Sentul urban regeneration project.



# Chairman's Statement

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## CORPORATE DEVELOPMENTS

On 14 December 2005, the Company announced that its wholly-owned subsidiary, SR Property Management Sdn Bhd ("SR Property") had entered into a Share Sale and Purchase Agreement with Secure Parking Corporation Sdn Bhd (formerly known as Sistemurus Secure Parking Sdn Bhd) ("Secure Parking") for the purchase of the remaining 49% interest in Boom Time Strategies Sdn Bhd ("BoomTime") for a cash consideration of RM19,502.00. Boom Time was incorporated pursuant to a Joint Venture and Shareholders Agreement between SR Property and Secure Parking for carrying out the business of providing car parking management services.

On 30 August 2006, YTL L&D announced the acquisition of the entire issued and paid-up share capital of Pakatan Pavilion Sdn Bhd. The principal activity of Pakatan Pavilion Sdn Bhd is property development.

## REVIEW OF OPERATIONS

### Lake Edge

During the year under review, construction was completed on all four phases of Lake Edge in Puchong launched to date, namely Courtyard Homes, Pavilion Terraces, Garden Terraces and Promenade Homes. The 2-storey Courtyard Homes offer a built up area of 2,500 sq.ft., whilst Pavilion Terraces, Garden Terraces and Promenade Homes are 2<sup>1</sup>/<sub>2</sub>-storeys with built up areas of 3,100 sq.ft. The innovative designs of these properties have proven highly attractive to buyers. The Lake Edge project is developed by Pakatan Perakbina Sdn Bhd, a wholly-owned subsidiary of YTL L&D.

New phases of Lake Edge will consist of bungalows and semi-detached houses. In developing Lake Edge, the Group has placed the emphasis on creating an enclave of high-quality homes within a thriving gated community, creating an entire lifestyle concept that has proven appealing to buyers.





# Chairman's Statement

## Sentul East & Sentul West

The Group's urban revitalisation of Sentul continues to progress well, with the completion of the second project launched under the Sentul Masterplan, The Maple at Sentul West, during the year under review. The Sentul Link, a flyover connecting Lebuhraya Mahameru and Sentul, was also completed and opened on schedule in July 2006. The link, a Design & Build project under Dewan Bandaraya Kuala Lumpur (DBKL), was undertaken by Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd, a wholly-owned subsidiary of YTL Corporation Berhad, and has successfully alleviated traffic congestion to and from the Sentul area.

Meanwhile, Sentul Park, which is home to The Kuala Lumpur Performing Arts Centre and the Sentul Park Koi Centre, played host to the YTL Group's spectacular 50th Anniversary concert in December 2005. Featuring the renowned British tenor, Russell Watson, and the Adelaide Symphony Orchestra, the concert was sponsored entirely by the YTL Group, with 5,000 free tickets issued to the public via ballot.

The Sentul development comprises residential properties, commercial offices and retail outlets, with a strong focus on providing an aesthetically pleasing and tranquil living environment in the centre of the city, which will appeal to the increasing number of homebuyers who are looking for properties in prime locations with good potential for capital appreciation and returns.

In addition to The Maple at Sentul West and The Saffron at Sentul East, phases launched to date are The Tamarind at Sentul East, completed and handed over in June 2005, and the Sang Suria Condominiums, completed and handed over in September 2002. Future launches include The Mulberry at Sentul West which will comprise luxury condominiums.

### The Maple at Sentul West

During the year under review, construction was completed on The Maple on schedule and vacant possession was delivered in August 2006. The Maple has attracted purchasers drawn to the Group's dynamic vision for Sentul, generating strong take-up rates by both local and foreign buyers.

The Maple was YTL L&D's second launch under the Sentul Masterplan in July 2003 and the first of the Park-view units to be launched. Comprising 318 units of luxury condominiums, strong sales have been driven by The Maple's attractive design features, such as 10-foot high floor-to-ceiling windows and unique Sky Terrace balconies, offering majestic, unparalleled views of the city skyline.



# Chairman's Statement

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## **The Saffron at Sentul East**

The Saffron is the second development launched at Sentul East, following the debut of the highly successful first development, The Tamarind. The Saffron comprises 490 freehold units in two 17-storey blocks and two 24-storey blocks. This phase has achieved take-up rates in excess of 88% by buyers attracted to The Saffron's features which include extensive landscaping, three separate swimming pools, themed gardens and the exclusive Saffron Park.

## **Pantai Hillpark**

During the year under review, YTL L&D won the prestigious FIABCI Malaysia Property Award 2006 in the Best Residential Development (High Rise) Category for Andalucia, the most recent phase of the Pantai Hillpark development, which was completed and handed over in 2004.

The next phase of the Pantai Hillpark development to be launched will be Centrio, which comprises select retail shops, boutique offices and exclusive loft apartments, and will serve as the hub for future planned phases that will encompass semi-detached homes and bungalows. These new phases are designed to ensure that Pantai Hillpark will remain a sought-after address in Kuala Lumpur.

## **Taman Cahaya Masai**

The latest phase of the Group's Taman Cahaya Masai project in Johor comprises 102 units double-storey terrace houses in Phase 5C, which are due for completion in late 2007. Earlier phases of this development, which consisted mainly of double storey terrace houses, have proven highly attractive, achieving strong take up rates and driving demand for further units.

## **Taman Pakatan Jaya**

Taman Pakatan Jaya in Ipoh currently comprises double-storey and single-storey houses. Following the completion of Phases 2H(a) and 4(a) last year, the Group will continue to launch additional phases, with Phase 4(b) consisting of 279 units of double-storey homes due to be launched later this year. Future development will comprise double-storey houses, a commercial centre and bungalow lots.

## **CORPORATE SOCIAL RESPONSIBILITY**

Social responsibility is one of the Group's key values and YTL L&D places a high priority on acting responsibly in every aspect of its business. The Group is also part of the wider network of the YTL group of companies under the umbrella of its parent company, YTL Corporation Berhad, with a long-standing commitment to creating successful, profitable and sustainable businesses which, in turn, benefit the surrounding community through the creation of sustained value for shareholders, secure and stable jobs for the Group's employees, support for the arts and culture in Malaysia and contributions to promote education for the benefit of future generations.

To these ends, the Group's properties are designed and developed with the goal of building beautiful sustainable homes in harmony with nature. The Sentul project, for example, encompasses the 35-acre Sentul Park in the heart of Kuala Lumpur, creating a green lung filled with indigenous forest species, which is unique within a highly urban area.

## Chairman's Statement

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In addition to the aesthetic value, the parks and green areas of the Group's developments are designed to promote a healthy lifestyle, foster community spirit and enhance the intrinsic value of the entire neighbourhood. Besides maintaining green parcels of land, sustainable building and design techniques that make the most of natural sunlight and improve airflow (to reduce the need for artificial light and air-conditioners) have been integrated into the planning of these properties. Awards such as The Edge Top Property Developers Award 2006, and the FIABCI Malaysia Property Award 2006 in the Best Residential Development (High Rise) category are testaments to these values.

Every employee of the Group is expected to maintain the highest standards of propriety, integrity and conduct in all their business relationships and the Group is held to the same standard in its compliance with all applicable legal and regulatory requirements.

This year, the Group is pleased to integrate the corporate social responsibility aspect of its business into the Annual Report, as part of its reporting procedure. The Group believes that effective corporate responsibility can deliver benefits to its businesses and, in turn, to its shareholders, by enhancing reputation and business trust, risk management performance, relationships with regulators, staff motivation and attraction of talent, customer preference and loyalty, the goodwill of local communities and long-term shareholder value. The Group's statements on corporate governance and internal control, which elaborate on these aspects, can be found as a separate section in this Annual Report.

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### FUTURE PROSPECTS

Whilst cautious market sentiments are expected to continue in the face of the prevailing lull in global inflationary pressures and the domestic interest rate regime, the Group remains committed to continuously innovating in developing new living concepts with unique and unconventional architecture and which integrate with their surroundings to create sought-after communities that enhance the value of our buyers' investments.

The Group is confident that its strongly differentiated products and services provide a solid foundation to address the challenging conditions of the current market, driven by concerns over interest rates and the oversupply of residential units. The Ninth Malaysian Plan (9MP) suggests that positive long-term fundamentals of the Malaysian property sector are intact and the Group believes that long-term demand for its properties is strongly supported by a young, growing population, rising urbanisation and robust GDP growth. The rate of urbanisation should continue to accelerate and the 9MP expects 63.8% of the population to be living in urban areas by 2010 (versus 62.0% in 2000). The 9MP further expects housing needs (both new and replacement) to total 709,400 between 2006 and 2010.



## Chairman's Statement

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The relaxation of legislation on the purchase of properties by foreigners under the 'Malaysia: My Second Home' programme has also facilitated the marketing of properties to foreign buyers and expanded the Group's potential customer base. Among the big property markets in Malaysia where disposable income is above the national average, Kuala Lumpur and Johor are the 'better' markets, indicating a stronghold in terms of the Group's properties' positioning.

Lake Edge and Sentul are expected to continue to form the core of the Group's focus over the next few years, whilst new phases of the Pantai Hillpark, Taman Pakatan Jaya and Taman Cahaya Masai developments are also expected to drive growth for the foreseeable future.

The Group will continue to focus on providing homes that live up to the most stringent standards of quality for the benefit of our customers, with a focus on creative, responsible development and developing communities that offer customers a lifestyle. The Group's adaptability in selectively timing its launches to cater to prevailing market conditions and buyer demands has proven to be a successful growth strategy and enabled YTL L&D to launch homes with good potential for value appreciation.

### APPRECIATION

The Board of Directors wishes to take this opportunity to thank our shareholders, customers, business associates and the regulatory authorities for their ongoing support, which enabled the Group to achieve another successful year.

We wish to place on record the Group's deep appreciation for the invaluable guidance of the late Y.Bhg Tan Sri Dato' Seri Dr. Md. Noordin Bin Md. Sopiie, who served as an Independent Non-Executive Director on the Board for six years until he passed away on 29 December 2005.

We would also like to thank the management and staff for their continued dedication and commitment to the ideals of the Group.

### DATO' SULEIMAN BIN ABDUL MANAN

DPMS

Chairman

**17 DECEMBER 2005**

**YTL's 50th Anniversary Concert of Celebration  
Celebrating 50 Years of Running the Good Race**

YTL celebrated its 50th Anniversary in December 2005 with a spectacular free concert featuring one of Britain's leading tenors, Russell Watson, accompanied by the Adelaide Symphony Orchestra, held at Sentul Park.



Graced by the presence of DYMM Seri Paduka Baginda Yang di-Pertuan Agong Tuanku Syed Dirajuddin Ibni Al-Marhum Tuanku Syed Putra Jamalullail and DYMM Seri Paduka Baginda Raja Permaisuri Agong Tuanku Fauziah Binti Al-Marhum Tengku Abdul Rashid, and Malaysia's Prime Minister, Y.A.B. Dato' Seri Abdullah bin Haji Ahmad Badawi, the Concert was the grand finale to a week of celebrations, with concerts and events organised every night and over 5,000 free tickets issued to the general public via ballot.



**12 FEBRUARY 2006**

**Sentul Park Koi Centre Launch**

The grand opening of the Sentul Park Koi Centre was officiated by Prime Minister of Malaysia, Y.A.B. Dato' Seri Abdullah bin Haji Ahmad Badawi.

Y.A.B. Dato' Seri Abdullah bin Haji Ahmad Badawi and YTL Land & Development Berhad Managing Director Tan Sri Dato' (Dr) Francis Yeoh Sock Ping at the official launch of the Sentul Park Koi Centre.



YTL Land & Development Berhad was honoured as one of the Top 10 property developers in the country at The Edge Top Property Developers Awards 2006, officiated by Y.B. Dato' Seri Ong Ka Ting, Minister of Housing and Local Government.

Above: Y.B. Dato' Seri Ong Ka Ting presents the award to YTL Land & Development Berhad Executive Director Dato' Hamidah binti Maktar. (Photo courtesy of The Edge)

**19 JULY 2006**

**The Edge Top Property Developers Awards 2006**



Prime Minister of Malaysia, Y.A.B. Dato' Seri Abdullah bin Haji Ahmad Badawi, officiated the gala opening of the Kuala Lumpur Performing Arts Centre (KLPac), which paid tribute to the centre's patron, the late Datin Paduka Datin Seri Endon Mahmood, and the late Puan Seri Dato' Paduka Rosaline Yeoh, wife of YTL Land & Development Berhad Managing Director Tan Sri Dato' (Dr) Francis Yeoh Sock Ping.

Y.A.B. Dato' Seri Abdullah bin Haji Ahmad Badawi signs the commemoration plaque, witnessed by (from left) Tan Sri Dato' (Dr) Francis Yeoh Sock Ping; Dato' Faridah Merican, KLPac Executive Producer; and Nori Abdullah, Chairperson of Yayasan Budi Penyayang.

**3 SEPTEMBER 2006**

**Grand Opening of KLPac**



YTL Land & Development Berhad received the Best Residential Development (High Rise) Award from the FIABCI Malaysia Chapter for the Andalusia phase of its Pantai Hillpark development.

Dato' Hamidah binti Maktar, Executive Director of YTL Land & Development Berhad, accepting the award on the company's behalf, presented by FIABCI Asia-Pacific Chairman Datuk Alan Tong.

**5 SEPTEMBER 2006**

**FIABCI Malaysia Property Awards 2006**

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT THE SIXTY-SIXTH ANNUAL GENERAL MEETING OF YTL LAND & DEVELOPMENT BERHAD WILL BE HELD AT STARHILL 2, LEVEL 4, JW MARRIOTT HOTEL KUALA LUMPUR, 183 JALAN BUKIT BINTANG, 55100 KUALA LUMPUR ON THURSDAY, THE 7TH DAY OF DECEMBER, 2006 AT 11.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS:**

## AS ORDINARY BUSINESS

- 1 To receive the Audited Financial Statements for the financial year ended 30 June 2006 together with the Reports of the Directors and Auditors thereon; **Resolution 1**
- 2 To re-elect the following Directors who retire pursuant to Article 84 of the Company's Articles of Association:
  - i Dato' Yeoh Seok Kian **Resolution 2**
  - ii Dato' Yeoh Seok Hong **Resolution 3**
  - iii Dato' Michael Yeoh Sock Siong **Resolution 4**
- 3 To re-elect Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman who retires pursuant to Article 90 of the Company's Articles of Association; **Resolution 5**
- 4 To re-appoint Eu Peng Meng @ Leslie Eu who retires pursuant to Section 129(6) of the Companies Act, 1965 and to hold office until the next Annual General Meeting; **Resolution 6**
- 5 To approve the payment of Directors' fees amounting to RM220,000 for the financial year ended 30 June 2006; **Resolution 7**
- 6 To re-appoint the Auditors and to authorise the Directors to fix their remuneration. **Resolution 8**

## AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions:

## ORDINARY RESOLUTION 1

- 7 PROPOSED AUTHORITY TO ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad."

**Resolution 9**

## ORDINARY RESOLUTION 2

- 8 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

"THAT subject to the Company's compliance with all applicable rules, regulations, orders and guidelines made pursuant to the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association and the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to buy-back and/or hold from time to time and at any time such amount of ordinary shares of RM0.50 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company ("the Proposed Share Buy-Back") provided that:

## Notice of Annual General Meeting

- i The maximum number of shares which may be purchased and/or held by the Company at any point of time pursuant to the Proposed Share Buy-Back shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being quoted on Bursa Securities provided always that in the event that the Company ceases to hold all or any part of such shares as a result of, amongst others, cancellation of shares, sale of shares on the market of Bursa Securities or distribution of treasury shares to shareholders as dividend in respect of shares bought back under the previous shareholders' mandate for share buy-back which was obtained at the Annual General Meeting held on 8 December 2005, the Company shall be entitled to further purchase and/or hold such additional number of shares as shall (in aggregate with the shares then still held by the Company) not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being quoted on Bursa Securities;
- ii The maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back shall not exceed the sum of Retained Profits and the Share Premium Account of the Company based on its latest audited financial statements available up to the date of a transaction pursuant to the Proposed Share Buy-Back. As at 30 June 2006, the audited Accumulated Losses and Share Premium Account of the Company were RM224,186,000 and RM97,782,000 respectively; and
- iii The shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with by the Directors in all or any of the following manner:
  - a the shares so purchased may be cancelled; and/or
  - b the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or
  - c part of the shares so purchased may be retained as treasury shares with the remainder being cancelled.

AND THAT such authority shall commence upon the passing of this resolution, until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever occurs first, but so as not to prejudice the completion of a purchase made before such expiry date;

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Share Buy-Back with full powers to amend and/or assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association and the Listing Requirements of Bursa Securities and all other relevant governmental/regulatory authorities."

**Resolution 10**

### ORDINARY RESOLUTION 3

#### 9 PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT the Company and/or its subsidiaries be and is/are hereby authorised to enter into recurrent related party transactions from time to time with Related Parties who may be a Director, a major shareholder of the Company and/or its subsidiaries or a person connected with such a Director or a major shareholder, as specified in section 2.3 of the Circular to Shareholders dated 15 November 2006 subject to the following:

# Notice of Annual General Meeting

- i the transactions are of a revenue or trading in nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries and are transacted on terms consistent or comparable with market or normal trade practices and/or based on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and
- ii disclosure is made in the annual report of the aggregate value of transactions conducted during the financial year pursuant to the shareholders' mandate in accordance with the Listing Requirements of Bursa Malaysia Securities Berhad.

THAT the mandate given by the shareholders of the Company shall only continue to be in force until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (the "Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever is the earlier;

AND THAT the Directors of the Company be authorised to complete and do such acts and things as they may consider expedient or necessary to give full effect to the shareholders' mandate."

## Resolution 11

By Order of the Board,

**Ho Say Keng**  
Company Secretary

KUALA LUMPUR  
15 November 2006

## Notes:

A member entitled to attend and vote at the meeting may appoint a proxy to vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member other than an Authorised Nominee shall not be entitled to appoint more than one proxy to attend and vote at the same meeting and where such member appoints more than one proxy to attend and vote at the same meeting, such appointment shall be invalid. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or his attorney and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised in writing. An instrument appointing a proxy shall be deposited at the Registered Office of the Company at least 48 hours before the appointed time for holding the meeting. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 60(2) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 30 November 2006. Only a depositor whose name appears on the General Meeting Record of Depositors as at 30 November 2006 shall be entitled to attend the said meeting or appoint proxy to attend and/or vote in his stead.

## Resolution pursuant to Section 132D of the Companies Act, 1965

The Company is actively pursuing business opportunities in prospective areas so as to broaden the operating base and earnings potential of the Company. Such expansion plans may require the issue of new shares not exceeding ten per centum of the Company's issued share capital. With the passing of the Resolution 9 mentioned above by the shareholders of the Company at the forthcoming Annual General Meeting, the Directors would avoid delay and cost of convening further general meetings to approve issue of such shares for such purposes.

## Resolution pertaining to the renewal of Authority To Buy-Back Shares of the Company

For Resolution 10, further information on the Share Buy-Back is set out in the Share Buy-Back Statement dated 15 November 2006 which is despatched together with the Circular to Shareholders for the Proposed Mandate for recurrent related party transactions of a revenue or trading nature, and the Company's Annual Report 2006.

## Resolution pertaining to the Recurrent Related Party Transactions

For Resolution 11, further information on the Recurrent Related Party Transactions is set out in the Circular to Shareholders of the Company dated 15 November 2006 which is despatched together with the Share Buy-Back Statement dated 15 November 2006 and the Company's Annual Report 2006.



# Statement Accompanying Notice of Annual General Meeting

## 1 THE NAMES OF INDIVIDUALS WHO ARE STANDING FOR RE-ELECTION OR RE-APPOINTMENT

**Directors retiring by rotation pursuant to Article 84 of the Company's Articles of Association:**

- Dato' Yeoh Seok Kian
- Dato' Yeoh Seok Hong
- Dato' Michael Yeoh Sock Siong

**Director retiring pursuant to Article 90 of the Company's Articles of Association:**

- Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman

**Director retiring pursuant to Section 129(6) of the Companies Act, 1965:**

- Eu Peng Meng @ Leslie Eu

## 2 THE DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

There were five (5) Board meetings held during the financial year ended 30 June 2006. Details of attendance of the Directors are set out in the "Profile of the Board of Directors".

## 3 66TH ANNUAL GENERAL MEETING OF YTL LAND & DEVELOPMENT BERHAD

Place : Starhill 2, Level 4  
JW Marriott Hotel Kuala Lumpur  
183 Jalan Bukit Bintang  
55100 Kuala Lumpur

Date & Time : 7 December 2006 at 11.00 a.m.

## 4 FURTHER DETAILS OF DIRECTORS WHO ARE STANDING FOR RE-ELECTION OR RE-APPOINTMENT

The profile of the Directors who are standing for re-election or re-appointment are set out in the "Profile of the Board of Directors" and their securities holdings in the Company and its subsidiaries are presented in the "Statement of Directors' Interests" of the Annual Report.

# Corporate Information

## BOARD OF DIRECTORS

*Chairman*

**Dato' Suleiman Bin Abdul Manan**  
DPMS

*Managing Director*

**Tan Sri Dato' (Dr) Francis Yeoh Sock Ping**  
PSM, CBE, SIMP, DPMS, DPMP, JMN, JP  
Hon D Eng (Kingston), B Sc (Hons) Civil Engineering,  
FFB, F Inst D, MBIM, RIM

*Directors*

**Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman**  
PSM, SPDK, DSNS, JSM, DNS, PGBP, PMC  
PhD (Sociology), MA & BA (Hons), D.Agr.Sc. (Hon)

**Dato' Cheong Keap Tai**

**Dato' Yeoh Seok Kian**  
DSSA  
B Sc (Hons) Bldg, MCIQB, FFB

**Dato' Yeoh Seok Hong**  
DSPN, JP  
BE (Hons) Civil & Structural Engineering, FFB

**Dato' Michael Yeoh Sock Siong**  
DIMP  
BE (Hons) Civil & Structural Engineering, FFB

**Dato' Mark Yeoh Seok Kah**  
DSSA  
LLB (Hons)

**Dato' Hamidah Binti Maktar**  
DIMP  
BA (Hons)

**Eu Peng Meng @ Leslie Eu**  
B Com, FCILT

## COMPANY SECRETARY

**Ho Say Keng**

## REGISTERED OFFICE

11th Floor, Yeoh Tiong Lay Plaza  
55 Jalan Bukit Bintang  
55100 Kuala Lumpur  
Tel • 03-2117 0088 / 03-2142 6633  
Fax • 03-2141 2703

## BUSINESS OFFICE

10th Floor, Yeoh Tiong Lay Plaza  
55 Jalan Bukit Bintang  
55100 Kuala Lumpur  
Tel • 03-2117 0088 / 03-2142 6633  
Fax • 03-2141 2703

## REGISTRAR

**YTL Corporation Berhad**  
11th Floor, Yeoh Tiong Lay Plaza  
55 Jalan Bukit Bintang  
55100 Kuala Lumpur  
Tel • 03-2117 0088 / 03-2142 6633  
Fax • 03-2141 2703

## SOLICITORS

Lee, Perara & Tan  
Logan Sabapathy & Co.

## AUDIT COMMITTEE

**Eu Peng Meng @ Leslie Eu**  
*Chairman and Independent Non-Executive Director*

**Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman**  
*Independent Non-Executive Director*

**Dato' Yeoh Seok Kian**

*Executive Director*

**Dato' Cheong Keap Tai**  
*Independent Non-Executive Director*

## AUDITORS

Ernst & Young (AF 0039)  
Chartered Accountants

## PRINCIPAL BANKERS OF THE GROUP

Affin Bank Berhad  
CIMB Bank Berhad (formerly known as Bumiputra-Commerce Bank Berhad)  
Malayan Banking Berhad

## STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad  
Main Board (7.10.1973)

# Profile of the Board of Directors

## **DATO' SULEIMAN BIN ABDUL MANAN**

Malaysian, aged 68, was appointed to the Board on 18 December 1991 and is the Non-Executive Chairman of the Company. Dato' Suleiman obtained his education from the Malay College, Kuala Kangsar, University Malaya and L'Institut International D'Administration Publique, Paris. He was a member of the Malaysian Administrative and Foreign Service for 13 years. After resigning from the Civil Service in 1972, he was appointed Deputy General Manager of Malaysian Shipyard & Engineering (1972-1975), Managing Director of Malaysian Rubber Development Corporation (1975-1982), Group Managing Director of Kumpulan Perangsang Selangor (1982-1986). He became an entrepreneur and entered the corporate world in 1987. He built Lot 10 Shopping Centre, Star Hill Centre and JW Marriott Hotel. He took control of YTL Land & Development Berhad and became its Chairman and privatised KTM lands into the Sentul Raya new township. He relinquished control of the Company in April 2001 but remained as Chairman with minority interest. He is also the Chairman and shareholder of DSM Resources Sdn Bhd with interests in properties, leisure and information technology. He is also currently on the board of Sentul Raya Golf Club Berhad and a few other private companies.

## **TAN SRI DATUK SERI PANGLIMA DR. ABU HASSAN BIN OTHMAN**

Malaysian, aged 66, was appointed to the Board on 12 June 2006 as an Independent Non-Executive Director. Tan Sri Datuk Seri Panglima Dr. Abu Hassan holds a PhD in Sociology from Michigan State University, U.S.A., a MA and Bachelor of Arts (Hons) 2nd Class Upper from University of Malaya ("UM"), and a D.Agr.Sc.(Honorary) from Kinki University, Japan.

He served as Tutor in the Faculty of Arts of UM from 1969 to 1971. This was followed by 23 years of service with University Kebangsaan Malaysia where he held various positions as Lecturer, Department Head to Professor in the Department of Anthropology & Sociology, Dean of the Faculty of Social Sciences & Humanities, and Deputy Vice Chancellor of Student Affairs. From 1994 to 2005, Tan Sri Datuk Seri Panglima Dr. Abu Hassan who was a Distinguished Fulbright Hays scholar, served as the Founding and First Vice Chancellor of University Malaysia Sabah. While serving as Vice Chancellor, he also held distinguished appointments both nationally and internationally. Nationally, he was Chairman of the Malaysian Vice Chancellors Committee, Chairman of the Malaysian Examination Council, Member of the Malaysian National Higher Education Council and Board Member, National Productivity Corporation. On the international front, he represented Malaysia as Chairman, Council of the University Mobility of Asia Pacific (UMAP), Chairman of the Malaysian-Australian Vice Chancellors Committee, Board Member of the Association of Commonwealth Universities (ACU) as well as Board Member of the Association of South East Asian Institutions of Higher Learning (ASAIHL). Tan Sri Datuk Seri Panglima Dr. Abu Hassan is currently the Chairman of Permai Polyclinic Group Sdn Bhd and Chairman of Malaysian-American Commission on Educational Exchange ("MACEE").

## Profile of the Board of Directors

### **TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING**

Malaysian, aged 52, was appointed to the Board on 10 May 2001 as an Executive Director and has been the Managing Director since then. Tan Sri Francis obtained his secondary education at Victoria Institution, Kuala Lumpur, Malaysia where he was the Head Boy. He obtained his Bachelor of Science (Hons) Degree in Civil Engineering from Kingston University, United Kingdom in 1978. Under his stewardship, YTL Group has grown from a single listed entity in 1985 to a force comprising six listed entities i.e. YTL Corporation Berhad, YTL Power International Berhad, YTL Cement Berhad, YTL Land & Development Berhad, YTL e-Solutions Berhad and Starhill Real Estate Investment Trust, a listed real estate investment trust fund.

He currently serves as a member of the Malaysian Pacific Basin Economic Council (PBEC), Commonwealth Partnership for Technology Management (CPTM), The Capital Markets Advisory Council, The Nature Conservancy Asia Pacific Council and the Asia Business Council. He is also the Trustee of the Asia Society. He is a Board Member of SEI for Advanced Studies in Management – Wharton School, the Council Member of INSEAD and a Member of the Asia Regional Advisory Board of London Business School. He was the past President of the Kuala Lumpur Symphony Orchestra Society (KLSO) and the Founder President of the famous Eastern and Orient Express train. He was named the Ernst & Young “Master Entrepreneur of the Year 2002”. He holds fellowships in many of the Chartered Institutions in the United Kingdom and is also the recipient of many major awards conferred by the Government of Malaysia. On 13 February 2004, he was conferred the degree of Honorary Doctorate of Engineering by Kingston University, United Kingdom. Tan Sri Francis was awarded the BusinessWeek’s “25 Stars of Asia 2003” on 6 November 2003 in Hong Kong and was ranked 21st by Fortune Magazine Asia’s 25 Most Powerful Business Personalities on 9 August 2004. He was appointed as a member of Barclays Asia-Pacific Advisory Committee on 1 January 2005. CNBC Asia Pacific named him Malaysia CEO of the Year at its Asia Business Leaders Awards on 9 November 2005. On 8 June 2006, he was conferred an Honorary Commander of the Most Excellent Order of the British Empire (CBE) by Her Majesty Queen Elizabeth II.

Besides the 5 listed companies in the YTL Group, Tan Sri Francis also sits on the board of YTL Industries Berhad, YTL Foundation and the prominent private utilities companies in United Kingdom, Wessex Water Limited and Wessex Water Services Limited. He is also the chief executive officer of Pintar Projek Sdn Bhd, the Manager of Starhill Real Estate Investment Trust.

### **DATO' CHEONG KEAP TAI**

Malaysian, aged 58, was appointed to the Board on 30 September 2004 as an Independent Non-Executive Director. Dato' Cheong graduated from the University of Singapore with a Bachelor of Accountancy. He is a Chartered Accountant of Malaysian Institute of Accountants (MIA), a Member of the Malaysian Institute of Certified Public Accountants (MICPA) and a Member of the Institute of Chartered Secretaries and Administrators (ICSA). Dato' Cheong was the Executive Director and Partner of Coopers & Lybrand and upon its merger with Price Waterhouse was the Executive Director and Partner of PricewaterhouseCoopers until his retirement in December 2003. He continues to be a partner of a local accounting practice. He is also a director of YTL Corporation Berhad, YTL e-Solutions Berhad, Cement Industries of Malaysia Berhad, Kinta Kellas Public Limited Company, Gromutual Berhad and certain private limited companies.

## Profile of the Board of Directors

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### **DATO' YEOH SEOK KIAN**

Malaysian, aged 49, has been an Executive Director of the Company since 10 May 2001. He graduated from Heriot-Watt University, Edinburgh, United Kingdom in 1981 with a Bachelor of Science (Hons) Degree in Building. He attended the Advance Management Programme conducted by Wharton Business School, University of Pennsylvania in 1984. Dato' Yeoh Seok Kian is a Fellow of the Faculty of Building, United Kingdom as well as a Member of the Chartered Institute of Building (UK). He is the Deputy Managing Director of YTL Corporation Berhad, and a board member of YTL Power International Berhad, YTL Cement Berhad, YTL Industries Berhad, The Kuala Lumpur Performing Arts Centre, YTL Vacation Club Berhad and private company, Wessex Water Limited. He also serves on the board of Pintar Projek Sdn Bhd, the Manager of Starhill Real Estate Investment Trust.

### **DATO' YEOH SEOK HONG**

Malaysian, aged 47, was appointed to the Board on 10 May 2001 as an Executive Director. He obtained his Bachelor of Engineering (Hons) Civil & Structural Engineering Degree from the University Bradford, United Kingdom in 1982. He is a member of the Faculty of Building, United Kingdom. Dato' Yeoh Seok Hong has vast experience in the construction industry, being the Executive Director responsible for the YTL Group's construction division. He was the project director responsible for the development and the construction of the two Independent Power Producer power stations owned by YTL Power Generation Sdn Bhd. He continues to be actively involved in the construction activities of the YTL Group, his most recent project being the construction of the Express Rail Link between the Kuala Lumpur International Airport and the Kuala Lumpur Sentral Station, and is also responsible for developing the power and utility businesses of the YTL Power International Berhad Group. He is also a director of YTL Corporation Berhad, YTL Power International Berhad, YTL e-Solutions Berhad, YTL Industries Berhad, YTL Foundation, Wessex Water Limited and Wessex Water Services Limited.

### **DATO' MICHAEL YEOH SOCK SIONG**

Malaysian, aged 46, was appointed to the Board on 10 May 2001 as an Executive Director. He graduated from the Bradford University, United Kingdom in 1983 with a Bachelor of Engineering (Hons) Civil & Structural Engineering Degree. Dato' Michael Yeoh is primarily responsible for YTL Group's Manufacturing Division which activities involve cement manufacturing, ready-mixed concrete and other building material industries. He is also a director of YTL Corporation Berhad, YTL Power International Berhad, YTL Cement Berhad, YTL e-Solutions Berhad, YTL Industries Berhad, Sentul Raya Golf Club Berhad and private company, Wessex Water Limited.

### **DATO' MARK YEOH SEOK KAH**

Malaysian, aged 41, was appointed to the Board on 10 May 2001 as an Executive Director. He graduated from King's College, University of London with an LLB (Hons) and was subsequently called to the Bar at Gray's Inn, London in 1988. Dato' Mark Yeoh joined YTL Group in 1989 and is presently the Executive Director responsible for the YTL Hotels and Resorts Division. In addition, he is also part of YTL Power's Mergers & Acquisitions Team and was involved in the takeovers of ElectraNet SA (Australia), Wessex Water Limited (UK) and P.T. Jawa Power (Indonesia). He also serves on the board of YTL Corporation Berhad, YTL Power International Berhad, YTL e-Solutions Berhad, YTL Vacation Club Berhad and private company, Wessex Water Limited.

## Profile of the Board of Directors

### DATO' HAMIDAH BINTI MAKTAR

Malaysian, aged 52, was appointed to the Board on 17 March 1998 as an Executive Director. She obtained her BA Honours from the University of Malaya. She joined Nestle Malaysia Sdn Bhd in 1977 and in 1984 was attached to Matsushita Sale & Service as its Marketing Manager. In 1987, she joined BP Malaysia as the Corporate Communications Manager. In 1989, Dato' Hamidah was appointed the Retail District Manager for Peninsular Malaysia and in 1991, she was promoted to undertake both local and regional responsibilities as Business Support Manager for Malaysia and Singapore and Regional Brand Manager for South East Asia. She was made the EXCO member or Top Management Team of BP Malaysia and represented South East Asia for the BP Brand Global Panel in the Reimaging of BP worldwide. In 1994, she left the multinational to join Landmarks Berhad as the Managing Director of Sungei Wang Plaza. Dato' Hamidah joined the Company in 1996 as Group General Manager and was redesignated to Group Director (Operations) in March 1997. In 1998, she was appointed Managing Director to undertake the restructuring exercise of the group until its completion in May 2001. She is currently on the board of Sentul Raya Golf Club Berhad and a few other private companies.

### EU PENG MENG @ LESLIE EU

Malaysian, aged 71, was appointed to the Board on 15 June 2001 as an Independent Non-Executive Director. Mr Leslie Eu graduated with a Bachelor of Commerce degree from the Republic of Ireland. He is a Fellow of the Chartered Institute of Logistics and Transport and was one of the founding directors of Global Maritime Ventures Berhad. He has been in the shipping business for more than 40 years. He was the first Chief Executive Officer of Malaysian International Shipping Corporation Berhad from the company's inception in 1969 until his early retirement in 1985. Mr Leslie Eu was a Board Member of Lembaga Pelabuhan Kelang from 1970 to 1999. In 1995, he was presented the Straits Transportation Personality award by the Minister of Transport. He was appointed by the United Nations Conference on Trade and Development as one of the 13 experts to assist the developing nations in establishing their maritime fleets. Mr Leslie Eu presently serves on the board of public companies such as Lloyd's Register of Shipping (Malaysia) Bhd, YTL Corporation Berhad and YTL Cement Berhad. He is also a director of Pintar Projek Sdn Bhd, the Manager of Starhill Real Estate Investment Trust.

#### Notes:

- Family Relationship with Director and/or Major Shareholder**  
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Dato' Yeoh Seok Kian, Dato' Yeoh Seok Hong, Dato' Michael Yeoh Sock Siong and Dato' Mark Yeoh Seok Kah are siblings. Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay, the father of Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Dato' Yeoh Seok Kian, Dato' Yeoh Seok Hong, Dato' Michael Yeoh Sock Siong and Dato' Mark Yeoh Seok Kah, is a deemed major shareholder of the Company. Save as disclosed herein, none of the Directors has any family relationship with any director and/or major shareholder of the Company.
- Conflict of Interest**  
None of the Directors has any conflict of interest with the Company.
- Conviction of Offences**  
None of the Directors has been convicted of any offences in the past ten (10) years.

### DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

During the financial year, a total of 5 Board meetings (the last meeting being held on 18.05.2006) were held and the details of attendance are as follows:

<u>Attendance</u>	<u>Attendance</u>
Dato' Suleiman Bin Abdul Manan	3
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	3
Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman (Appointed w.e.f. 12.06.2006)	0
Dato' Cheong Keap Tai	5
Dato' Yeoh Seok Kian	3
Dato' Yeoh Seok Hong	4
Dato' Michael Yeoh Sock Siong	4
Dato' Mark Yeoh Seok Kah	4
Dato' Hamidah Binti Maktar	4
Eu Peng Meng @ Leslie Eu	5

# Statement of Directors' Responsibilities

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The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year then ended.

The Directors consider that, in preparing the financial statements for the financial year ended 30 June 2006, the Group has used appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent. The Directors also consider that all applicable approved accounting standards have been followed and confirm that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 1965 and the applicable approved accounting standards in Malaysia.

# Audit Committee Report

## MEMBERS

### Eu Peng Meng @ Leslie Eu

*Chairman/Independent Non-Executive Director*

### Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman

*Member/Independent Non-Executive Director*

### Dato' Yeoh Seok Kian

*Member/Executive Director*

### Dato' Cheong Keap Tai

*Member/Independent Non-Executive Director*

## TERMS OF REFERENCE

### Primary Purposes

The Committee shall:

- 1 Provide assistance to the Board in fulfilling its fiduciary responsibilities relating to the corporate accounting and practices for YTL Land & Development Berhad and all its wholly and majority owned subsidiaries ("Group").
- 2 Improve the Group's business efficiency, the quality of the accounting function, the system of internal controls and audit function and strengthen the confidence of the public in the Group's reported results.
- 3 Maintain through regularly scheduled meetings, a direct line of communication between the Board and the external auditors as well as internal auditors.
- 4 Enhance the independence of both the external and internal auditors' function through active participation in the audit process.
- 5 Strengthen the role of the Independent Directors by giving them a greater depth of knowledge as to the operations of the Company and of the Group through their participation in the Committee.

- 6 Act upon the Board of Directors' request to investigate and report on any issues or concerns in regard to the management of the Group.
- 7 Review existing practices and recommend to Management to formalise an ethics code for all executives and members of the staff of the Group.
- 8 Create a climate of discipline and control which will reduce opportunity of fraud.

## MEMBERSHIP

- 1 The Committee shall be appointed by the Board from amongst their number and shall be composed of no fewer than three (3) members, majority of whom should be Independent Directors.
- 2 At least one member of the Audit Committee:
  - a must be a member of the Malaysian Institute of Accountants; or
  - b if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:
    - i he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
    - ii he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
  - c fulfils such other requirements as prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities").
- 3 The Board must ensure that no alternate Director is appointed as a member of the Audit Committee.
- 4 The members of the Committee shall elect a Chairman from amongst their number who shall be an Independent Director.



# Audit Committee Report

## Authority

The Committee shall in accordance with the procedure determined by the Board and at the cost of the Company:

- 1 have authority to investigate any matter within its terms of reference;
- 2 have the resources which are required to perform its duties;
- 3 have full and unrestricted access to any information pertaining to the Company;
- 4 have direct communication channels with the external auditors and person(s) carrying out the internal audit function;
- 5 be able to obtain independent professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
- 6 be able to convene meetings with the external auditors excluding the attendance of the executive members of the Company, whenever deemed necessary.

## Functions And Duties

The Committee shall, amongst others, discharge the following functions:

- 1 Review the following and report the same to the Board of the Company:
  - a with the external auditors, the audit plan;
  - b with the external auditors, his evaluation of the quality and effectiveness of the entire accounting system, the adequacy and the integrity of the internal control system and the efficiency of the Group's operations and efforts and processes taken to reduce the Group's operational risks;
  - c with the external auditors, the audit report;
- d the assistance given by the employees of the Company to the external auditors;
- e the adequacy of the scope, functions and resources of the internal audit functions and that it has the necessary authority to carry out its work;
- f the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- g the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focussing particularly on:
  - changes in or implementation of major accounting policy changes
  - significant and unusual events
  - the accuracy and adequacy of the disclosure of information essential to a fair and full presentation of the financial affairs of the Group
  - compliance with accounting standards, other statutory and legal requirements and the going concern assumption;
- h any related party transaction and conflict of interest situation that may arise within the Company/Group and any related parties outside the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- i any letter of resignation from the external auditors of the Company;
- j whether there is reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment; and
- k any significant audit findings, reservations, difficulties encountered or material weaknesses reported by the external and internal auditors.

# Audit Committee Report

- 2 Recommend the nomination of a person or persons as external auditors and the external audit fee.
- 3 Promptly report to Bursa Securities on any matter reported by it to the Board of the Company which has not been satisfactorily resolved resulting in a breach of Listing Requirements of Bursa Securities.
- 4 Carry out any other function that may be mutually agreed upon by the Committee and the Board which would be beneficial to the Company and ensure the effective discharge of the Committee's duties and responsibilities.

## Meetings

- 1 To form a quorum in respect of a meeting of the Committee, the majority of members present must be Independent Directors.
- 2 The Committee shall meet at least five (5) times a year, although additional meetings may be called at any time at the Audit Committee Chairman's discretion. An agenda shall be sent to all members of the Committee and any other persons who may be required/invited to attend. All meetings to review the quarterly results and annual financial statements, shall be held prior to such quarterly results and annual financial statements being presented to the Board for approval.
- 3 Notwithstanding paragraph 2 above, upon the request of any member of the Committee, the external auditors or the internal auditors, the Chairman of the Committee shall convene a meeting of the Committee to consider any matter which should be brought to the attention of the Directors or shareholders.
- 4 The external auditors have the right to appear and be heard at any meeting of the Committee and shall appear before the Committee when required to do so by the Committee.
- 5 The Committee may invite any Board member or any member of the Senior Management or any relevant employee within the Company who the Committee thinks fit to attend its meetings to assist in resolving and clarifying matters raised in audit reports.

- 6 The internal auditors shall be in attendance at meetings of the Committee to present and discuss the audit reports of findings and the recommendations relating thereto and to follow up on decisions made at these meetings.
- 7 The Committee may establish any regulations from time to time to govern its administration.

## Retirement And Resignation

In the event of any vacancy in the Audit Committee resulting in the non-compliance of subparagraphs 15.10(1) of the Listing Requirements of Bursa Securities, the Company must fill the vacancy within 3 months.

## Minutes

- 1 The Committee shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated.
- 2 Minutes of each meeting shall also be distributed to all attendees at the meetings and members of the Committee.
- 3 Detailed minutes of the Committee's meetings will be made available to all Board members. A summary of significant matters and resolutions will be reported to the Board by the Committee.
- 4 The books containing the minutes of proceedings of any meeting of the Committee shall be kept by the Company at the registered office of the Company and shall be opened to the inspection of any member of the Committee and of the Board.

## Secretary

The Secretary to the Committee shall be the Company Secretary.

# Audit Committee Report

## ACTIVITIES

In line with the terms of reference of the Committee, the following activities were carried out by the Committee during the financial year ended 30 June 2006 in discharging its duties:

- 1 Review of the external auditors' scope of work and their audit plan.
- 2 Reviewing with the external auditors on the results of their audit, the audit report and internal control recommendations in respect of control weaknesses noted in the course of their audit.
- 3 Review of internal control procedures.
- 4 Review of the quarterly unaudited financial results announcements and recommending for the Board of Directors' approval.
- 5 Reviewing the audited financial statements before recommending for the Board of Directors' approval.
- 6 Reviewing the Company's compliance with the Listing Requirements of Bursa Securities and the applicable approved accounting standards issued by the Malaysian Accounting Standards Board.

## NUMBER OF MEETINGS HELD AND DETAILS OF ATTENDANCE

During the financial year, a total of 5 Audit Committee meetings (the last meeting being held on 18.05.2006) were held and the details of attendance are as follows:

	<b>Attendance</b>
Eu Peng Meng @ Leslie Eu	5
Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman <i>(Appointed w.e.f. 12.06.2006)</i>	0
Dato' Yeoh Seok Kian	4
Dato' Cheong Keap Tai	5

# Statement on Corporate Governance

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YTL Land & Development Berhad (“YTL L&D” or “Company”) and its subsidiaries (“YTL L&D Group”) are committed to ensuring that the highest standards of corporate governance are practiced throughout the YTL L&D Group. Good corporate governance is a fundamental part of the Board of Directors’ (“Board”) responsibility to protect and enhance long term shareholder value and the financial performance of the YTL L&D Group, whilst taking into account the interests of other stakeholders.

During the year under review, the Board continued to adhere to the measures recommended by the Malaysian Code on Corporate Governance (“Code”) to enhance its corporate governance practices, and to fully comply with the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”). This section of the Annual Report details the measures implemented by the YTL L&D Group to strengthen its compliance with the Principles and Best Practices of Corporate Governance as set out in Parts 1 and 2 of the Code, respectively.

## COMPOSITION OF THE BOARD

YTL L&D is led and managed by an experienced Board with a wide and varied range of expertise. This broad spectrum of skills and experience ensures the YTL L&D Group is under the guidance of an accountable and competent Board. The Directors recognise the key role they play in charting the strategic direction, development and control of the YTL L&D Group and have adopted the six primary responsibilities as listed in the Code, which facilitate the discharge of the Board’s stewardship responsibilities.

The Board currently has ten Directors comprising six executive members and four non-executive members, three of whom are independent. This is in compliance with the requirement for one-third of the Board to be independent.

The positions of the Chairman and the Managing Director are held by separate members of the Board. The Chairman is primarily responsible for the orderly conduct and working of the Board, whilst the Managing Director oversees the day-to-day running of the business, implementation of Board policies and making of operational decisions. The Managing Director and the Executive Directors are accountable to the Board for the profitable operation and development of the YTL L&D Group, consistent with the primary aim of enhancing long term shareholder value.

The presence of Independent Non-Executive Directors brings an additional element of balance to the Board and these Independent Non-Executive Directors have the experience to carry sufficient weight in the Board’s decisions. The differing roles of Executive and Non-Executive Directors are delineated, both having fiduciary duties towards shareholders. Executive Directors have a direct responsibility for business operations whereas Non-Executive Directors have the necessary skill and experience to bring an independent judgement to bear on issues of strategy, performance and resources brought before the Board.

The Executive Directors are responsible for the YTL L&D Group’s operations and for ensuring that strategies proposed by management are fully discussed and examined, and take account of the long term interests of shareholders, employees, customers, suppliers and the many communities in which the YTL L&D Group conducts its business. Together, the Directors possess the wide range of business, commercial and financial experience essential in the management and direction of a corporation of this size. A brief description of the background of each Director is presented in the Profile of the Board of Directors in this Annual Report.

To date, the Board has not found it necessary to designate a senior independent non-executive director to whom concerns may be conveyed, mainly because the Chairman encourages full deliberation of issues affecting the YTL L&D Group by all members of the Board.

# Statement on Corporate Governance

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## DIRECTORS' TRAINING

All the Directors have successfully completed the Mandatory Accreditation Programme and each Director has now obtained the applicable number of points under the Continuing Education Programme ("CEP") that they were required to obtain prior to the repeal of the CEP by Bursa Securities last year. The Directors attended various other conferences and programmes throughout the year to enhance their knowledge and expertise, and the Board will continue to evaluate and determine the training needs of its Directors on an ongoing basis.

## BOARD MEETINGS

The Board met five times during the financial year ended 30 June 2006. Details of each Director's attendance of the Board meetings are disclosed in the Profile of the Board of Directors in this Annual Report.

The Directors have full and unrestricted access to all information pertaining to the YTL L&D Group's business and affairs, both as a full Board and in their individual capacities, to enable them to discharge their duties. There are matters specifically reserved for the Board's decision to ensure that the direction and control of the YTL L&D Group rests firmly with the Board. Prior to each Board meeting, all Directors receive the agenda together with a full set of Board papers containing information relevant to the business of the meeting. This allows the Directors to obtain further explanations or clarification, where necessary, in order to be properly briefed before each meeting.

All Directors have full access to the advice and services of the Company Secretary who ensures that Board procedures are adhered to at all times during meetings and advises the Board on matters including corporate governance issues and the Directors' responsibilities in complying with relevant legislation and regulations.

## APPOINTMENT & RE-ELECTION OF DIRECTORS

The appointment of Directors is undertaken by the Board as a whole. The Managing Director recommends candidates suitable for appointment to the Board, and the final decision lies with the entire Board to ensure that the resulting mix of experience and expertise of members of the Board is sufficient to address the issues affecting the YTL L&D Group.

In accordance with the Company's Articles of Association, one-third of the Directors are required to retire from office at each Annual General Meeting ("AGM"). Retiring Directors can offer themselves for re-election. Directors who are appointed by the Board during the financial year are subject to re-election by shareholders at the next AGM held following their appointments. Directors who are over seventy years of age are required to submit themselves for re-appointment annually in accordance with Section 129 of the Companies Act, 1965. Details of Directors seeking re-election at the forthcoming AGM are disclosed in the Statement Accompanying the Notice of AGM in this Annual Report.

# Statement on Corporate Governance

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## DIRECTORS' REMUNERATION

Directors' remuneration is decided in line with the objective recommended by the Code to determine the remuneration for directors so as to attract and retain directors of the calibre needed to run the YTL L&D Group successfully. In general, the component parts of remuneration are structured so as to link rewards to performance, in the case of Executive Directors. In the case of Non-Executive Directors, the level of remuneration reflects the experience and responsibilities undertaken by the particular non-executive concerned. Directors do not participate in decisions regarding their own remuneration packages and Directors' fees must be approved by shareholders at the AGM.

Details of the aggregate remuneration of Directors categorised into appropriate components and the range of remuneration for each Director can be found in Note 7 of the Notes to the Financial Statements in this Annual Report (for security reasons, details are not shown with reference to Directors individually).

## DIALOGUE WITH SHAREHOLDERS & INVESTORS

The YTL L&D Group values dialogue with investors as a means of effective communication that enables the Board to convey information about performance, corporate strategy and other matters affecting shareholders' interests. The Board recognises the importance of timely dissemination of information to shareholders and accordingly ensures that they are well informed of any major developments of the YTL L&D Group. Such information is communicated through the Annual Report, the various disclosures and announcements to Bursa Securities, including quarterly and annual results, and corporate websites.

The Managing Director meets with analysts, institutional shareholders and investors throughout the year. Presentations based on permissible disclosures are made to explain the YTL L&D Group's performance and major development programs. Price-sensitive and information that may be regarded as undisclosed material information about the YTL L&D Group is, however, not disclosed in these sessions until after the prescribed announcement to Bursa Securities has been made.

The AGM is the principal forum for dialogue with shareholders. The Board provides opportunities for shareholders to raise questions pertaining to issues in the Annual Report, corporate developments in the YTL L&D Group, the resolutions being proposed and the business of the YTL L&D Group in general at every AGM and Extraordinary General Meeting of the Company. The Managing Director responds to shareholders' questions during the meeting, thereby ensuring a high level of accountability, transparency and identification with the YTL L&D Group's business operations, strategy and goals. Each item of special business included in the notice of the meeting is accompanied by an explanatory statement for the proposed resolution to facilitate full understanding and evaluation of issues involved.

## THE AUDIT COMMITTEE

The Company has in place an Audit Committee which comprises three Non-Executive Directors and one Executive Director. The Audit Committee holds quarterly meetings to review matters including the YTL L&D Group's financial reporting, the audit plans for the year and recurrent related party transactions, as well as to deliberate the findings of the internal and external auditors. The Audit Committee is fully compliant with the Code and the Listing Requirements.

The Audit Committee met five times during the financial year ended 30 June 2006. Full details of the composition, complete terms of reference and the activities of the Audit Committee during the financial year are set out in the Audit Committee Report in this Annual Report.

# Statement on Corporate Governance

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## FINANCIAL REPORTING

The Directors are responsible for ensuring that financial statements are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia. In presenting the financial statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. The Directors also strive to ensure that financial reporting presents a true and fair assessment of the Company's position and prospects. Quarterly financial statements were reviewed by the Audit Committee and approved by the Board prior to release to Bursa Securities and Securities Commission.

The Statement by Directors made pursuant to Section 169 of the Companies Act, 1965 is set out in this Annual Report.

## INTERNAL CONTROL

Information on the YTL L&D Group's system of internal control is presented in the Statement on Internal Control in this Annual Report.

## RELATIONSHIP WITH THE AUDITORS

The Board has established formal and transparent arrangements for maintaining an appropriate relationship with the Company's auditors. The Company's auditor, Messrs. Ernst & Young, has continued to report to members of the Company on their findings which are included as part of the Company's financial reports with respect to each year's audit on the statutory financial statements. From time to time, the auditors highlight matters that require attention to the Audit Committee and Board.

## ADDITIONAL DISCLOSURE

- **Share Buy-back:** Details of the Company's share buy-back exercises for the year under review have also been included in this Annual Report.
- **Employee Incentives:** The Board believes that maintaining the calibre of its employees is vital to ensure the continued success of the YTL L&D Group and the consequent increase in returns to shareholders. To these ends, the YTL L&D Group has implemented various staff retention and assessment practices, including a Thirteenth Month wage supplement, annual bonuses and biannual reviews of staff performance.

The Board is satisfied that the Company has, in all material aspects, complied with the best practices of the Code as at 30 June 2006.

This statement was approved by the Board of Directors on 19 October 2006.

# Statement on Internal Control

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During the year under review, YTL Land & Development Berhad (“YTL L&D” or “Company”) and its subsidiaries (“YTL L&D Group”) continued to enhance its system of internal control and risk management, in order to better quantify its compliance with the Malaysian Code on Corporate Governance (“Code”) and the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The Code requires the Board of Directors (“Board”) of listed companies to maintain a sound system of internal control to safeguard shareholders’ investments and the Company’s assets. Paragraph 15.27(b) of the Listing Requirements requires the Board to include in the annual report of the Company a statement on the status of the system of internal control.

## RESPONSIBILITIES OF THE BOARD

The Board is responsible for maintaining a sound system of internal control to safeguard shareholders’ investments and the assets of the YTL L&D Group, and for reviewing the adequacy and integrity of the system. The system of internal control covers not only financial controls but operational and compliance controls and risk management. However, the Board recognises that reviewing the YTL L&D Group’s system of internal control is a concerted and continuing process, designed to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, the system of internal control can only provide reasonable but not absolute assurance against material misstatement, fraud and loss.

The Board believes that the YTL L&D Group’s system of internal control, financial or otherwise, should provide reasonable assurance regarding the achievement of the objectives of ensuring effectiveness and efficiency of operations, reliability and transparency of financial information and compliance with laws and regulations.

## PRINCIPAL FEATURES OF THE YTL L&D GROUP’S SYSTEM OF INTERNAL CONTROL

The principal features of the YTL L&D Group’s system of internal control can be summarised as follows:

- **Authorisation Procedures:** The YTL L&D Group has a clear definition of authorisation procedures and a clear line of accountability, with strict authorisation, approval and control procedures within which senior management operates. Responsibility levels are communicated throughout the YTL L&D Group which set out, among others, authorisation levels, segregation of duties and other control procedures.
- **Authority Levels:** The YTL L&D Group has delegated authority levels for major tenders, capital expenditure projects, acquisitions and disposals of businesses and other significant transactions. The approval of capital and revenue proposals above authorised limits is reserved for decision by the Board. Other investment decisions are delegated for approval in accordance with authority limits. Comprehensive appraisal and monitoring procedures are applied to all major investment decisions. The authority of the Directors is required for key treasury matters including changes to equity, financing, cheque signatories, opening of bank accounts and foreign operations. Comprehensive due diligence is carried out when a business is to be acquired.
- **Financial Performance:** Interim financial results are reviewed by the Audit Committee and approved by the Board upon recommendation of the Audit Committee before release to Bursa Securities. The full year financial results and analyses of the YTL L&D Group’s state of affairs are disclosed to shareholders after review and audit by the external auditors.



## Statement on Internal Control

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- **Internal Compliance:** The YTL L&D Group monitors compliance with its internal financial controls through management reviews and reports which are internally reviewed by key personnel. Updates of internal policies and procedures are undertaken to reflect changing risks or resolve operational deficiencies. Internal audit visits are systematically planned over specific periods to monitor and scrutinise compliance with procedures and assess the integrity of financial information provided.

### KEY PROCESSES OF THE YTL L&D GROUP'S SYSTEM OF INTERNAL CONTROL

The key processes that the Board has established to review the adequacy and integrity of the system of internal control are as follows:-

- **Internal Audit Function:** During the year under review, an in-house internal audit department was established. The in-house internal audit department is also complemented by the internal audit functions outsourced to a professional firm. The internal auditors report to the Audit Committee, which reviews the effectiveness of the system of internal financial and accounting control as it operated during the year under review and reports their conclusions to the Board. The team advises executive and operational management on areas for improvement and subsequently reviews the extent to which its recommendations have been implemented.

During the year under review, the internal auditors reviewed the YTL L&D Group's system of internal control covering financial, accounting, operational and compliance controls. None of the weaknesses identified during this review have resulted in non-compliance with any relevant policies or procedures, listing requirements or recommended industry practices that would require disclosure in the Company's annual report.

The system of internal control will continue to be reviewed, enhanced or updated in line with changes in the operating environment. The Board will seek regular assurance on the continuity and effectiveness of the internal control system through independent appraisals by the internal auditors. The Board is of the view that the current system of internal control in place throughout the YTL L&D Group is sufficient to safeguard its interests.

- **Senior Management Meetings:** The YTL L&D Group conducts weekly meetings of the senior management which comprises Executive Directors and all divisional heads. The purpose of these meetings is to deliberate and decide upon all urgent company matters. Decisions can then be communicated to all members of staff immediately. From these meetings, the Board is able to identify significant operational and financial risks of the business units concerned.
- **Treasury Meetings:** Weekly meetings to discuss significant financial and treasury matters and to monitor the financial standing of the YTL L&D Group are conducted. These meetings ensure that any new financial developments and/or areas of concern are highlighted early and can be dealt with promptly. The members of this meeting comprise the YTL L&D Group Managing Director, Executive Directors, Company Secretary, Legal Adviser and Treasurer.
- **Site Visits:** The Executive Directors undertake site visits to production and operating units and communicate with various levels of staff to gauge first-hand the effectiveness of strategies discussed and implemented.

# Statement on Internal Control

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## RISK MANAGEMENT

The YTL L&D Group's strong financial profile is the result of a system of internal control and risk management designed to mitigate risks which arise in the course of business. This is exemplified by the YTL L&D Group's strategy of financing acquisitions on a non-recourse basis and entering into joint venture agreements with land owners, particularly Government bodies, when undertaking property development projects. This strategy has helped keep holding costs low and provided better resilience against severe downswings in the property market.

The YTL L&D Group's Sentul Raya development project, for instance, is being undertaken as a joint venture with Keretapi Tanah Melayu Berhad, whilst Pantai Hillpark is being developed with Kuala Lumpur City Hall. Other projects, such as Taman Puncak Kinrara and Taman Pakatan Jaya involve joint ventures with the Selangor and Perak State Governments, respectively.

The Board acknowledges that all areas of the YTL L&D Group's business activities involve some degree of risk and is committed to ensuring that there is an effective risk management framework which allows Management to manage risks within defined parameters and standards.

Identifying, evaluating and managing the significant risks faced by the YTL L&D Group is an ongoing process which is undertaken at each level of operations. During the year under review, this function was exercised through participation of Executive Directors in management meetings to ensure the adequacy and integrity of the system of internal control. Emphasis is placed on reviewing and updating the process for identifying and evaluating the significant risks affecting the business, and policies and procedures by which these risks are managed.

Management is responsible for the identification and evaluation of significant risks applicable to their areas of business together with the design and operation of suitable internal controls. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources including control breakdowns, disruption in information systems, competition, natural catastrophe and regulatory requirements.

The Managing Director reports to the Board on significant changes in the business and the external environment which affects significant risks. Where areas for improvement in the system are identified, the Board considers the recommendations made by the Audit Committee and the internal auditors.

The Board will pursue its ongoing process of identifying, assessing and managing key business, operational and financial risks faced by its business units as well as regularly reviewing planned strategies to determine whether risks are mitigated and well-managed, and to ensure compliance with the guidelines issued by the relevant authorities.

## CONCLUSION

The Board is of the view that the system of internal controls being instituted throughout the YTL L&D Group is sound and effective. Reviews of all the control procedures will be continuously carried out to ensure the ongoing effectiveness and adequacy of the systems of internal control, so as to safeguard shareholders' investments and the YTL L&D Group's assets.

This Statement was approved by the Board of Directors on 19 October 2006.

# Disclosure of Recurrent Related Party Transactions

At the last Annual General Meeting of YTL Land & Development Berhad (“YTL L&D”) held on 8 December 2005, the Company had obtained a mandate from its shareholders to allow YTL L&D and/or its subsidiaries (“YTL L&D Group”) to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature (“Recurrent Transactions”).

In accordance with Paragraph 10.09(1)(b) and Section 4.1.5 of Practice Note 12/2001 of Bursa Malaysia Securities Berhad Listing Requirements, details of the Recurrent Transactions conducted during the financial year ended 30 June 2006 pursuant to the said shareholders’ mandate are as follows:

## Companies in the YTL L&D Group involved in the

Recurrent Transactions	Related Party	Nature of Transactions	Interested Related Parties	Nature of Relationship	Value of Transactions RM'000
Sentul Raya Sdn Bhd, Pakatan Perakbina Sdn Bhd, PYP Sendirian Berhad & Syarikat Kemajuan Perumahan Negara Sdn Bhd	Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd (“SPYTL”) <sup>(4)</sup>	Progress billings for construction contract by Related Party	Yeoh Tiong Lay & Sons Holdings Sdn Bhd (“YTLSH”);  YTL Corporation Berhad (“YTL Corporation”)  Tan Sri Dato’ Seri (Dr) Yeoh Tiong Lay [“Tan Sri Yeoh Tiong Lay”]  Tan Sri Dato’ (Dr) Francis Yeoh Sock Ping, Dato’ Yeoh Seok Kian, Dato’ Yeoh Seok Hong, Dato’ Michael Yeoh Sock Siong, and Dato’ Mark Yeoh Seok Kah [collectively referred to as the “Yeoh Siblings”]	Major Shareholder/ Person Connected <sup>(1)</sup>  Major Shareholder/ Person Connected <sup>(2)</sup>  Major Shareholder/ Person Connected <sup>(1)(2)(3)</sup>  Directors <sup>(1)(2)(3)</sup>	65,148

### Notes:

- (1) YTLSH is a major shareholder of YTL L&D and the Related Party. YTLSH is a person connected to the major shareholder, Tan Sri Yeoh Tiong Lay and the directors, the Yeoh Siblings.
- (2) YTL Corporation is a major shareholder of YTL L&D and the Related Party. YTL Corporation is a person connected to the major shareholder, Tan Sri Yeoh Tiong Lay and the directors, the Yeoh Siblings.
- (3) Tan Sri Yeoh Tiong Lay is a major shareholder of YTLSH, YTL Corporation, YTL L&D and the Related Party. Tan Sri Yeoh Tiong Lay is a person connected with the directors, the Yeoh Siblings.
- (4) SPYTL is a wholly-owned subsidiary of YTL Corporation, which in turn is a subsidiary of YTLSH.

# Analysis of Share/Irredeemable Convertible Preference Share (ICPS) Holdings as at 9 October 2006

Class of shares : Ordinary shares of RM0.50 each  
 Voting rights : One vote per shareholder on a show of hands or one vote per ordinary share on a poll

## DISTRIBUTION OF SHAREHOLDINGS

Size of holding	No. of shareholders	%	No. of Shares #	%#
Less than 100	159	1.10	2,635	0.00
100 – 1,000	9,768	67.84	4,694,360	1.32
1,001 – 10,000	3,910	27.16	12,871,242	3.62
10,001 – 100,000	484	3.36	14,095,059	3.97
100,001 to less than 5% of issued shares	76	0.53	123,407,976	34.76
5% and above of issued shares	1	0.01	200,000,000	56.33
<b>Total</b>	<b>14,398</b>	<b>100.00</b>	<b>355,071,272</b>	<b>100.00</b>

## THIRTY LARGEST SHAREHOLDERS (without aggregating securities from different securities accounts belonging to the same person)

Name	No. of Shares	%#
1 YTL Corporation Berhad	200,000,000	56.33
2 Permodalan Nasional Berhad	16,812,200	4.73
3 UDA Holdings Berhad	14,200,000	4.00
4 Citigroup Nominees (Asing) Sdn Bhd - Goldman Sachs International	12,812,700	3.61
5 Employees Provident Fund Board	11,457,300	3.23
6 Pemasaran Simen Negara Sdn Bhd	10,424,532	2.94
7 Yeoh Tiong Lay & Sons Holdings Sdn Bhd	8,021,600	2.26
8 Alliancegroup Nominees (Tempatan) Sdn Bhd - Pheim Asset Management Sdn Bhd for Employees Provident Fund	6,883,100	1.94
9 Yeoh Tiong Lay & Sons Holdings Sdn Bhd	6,402,200	1.80
10 Bara Aktif Sdn Bhd	4,200,000	1.18
11 Mayban Securities Nominees (Tempatan) Sdn Bhd - Construction Lease (M) Sdn Bhd for Raja Dato' Wahid Bin Raja Kamaral Zaman (DLR 072)	3,896,438	1.10
12 Yeoh Tiong Lay & Sons Holdings Sdn Bhd	3,432,500	0.97
13 Pertubuhan Keselamatan Sosial	3,000,000	0.84
14 Eagletron Venture Corp.	1,981,600	0.56
15 HSBC Nominees (Asing) Sdn Bhd - Exempt An for Morgan Stanley & Co. Incorporated	1,212,000	0.34
16 AMSEC Nominees (Tempatan) Sdn Bhd - AMBank (M) Berhad for Mrs Ramona Suleiman Nee Lee Lai Wah	1,131,810	0.32

# Analysis of Share/Irredeemable Convertible Preference Share (ICPS) Holdings as at 9 October 2006

Name	No. of Shares	% <sup>#</sup>
17 Wong Keat Keong	1,022,000	0.29
18 Affin Nominees (Tempatan) Sdn Bhd - Pledged Securities A/c for Tan Sew Hoey (Tan Siew Hoey) (TAN6986M)	1,000,300	0.28
19 Wong Thian Sang	758,000	0.21
20 Teo Kwee Hock	757,412	0.21
21 Mayban Nominees (Tempatan) Sdn Bhd - Amanahraya-JMF Asset Management Sdn Bhd A/c for Yayasan Pembangunan Iktisad Islam Malaysia (C49-990018)	729,000	0.21
22 Chua Lee Kim	571,600	0.16
23 Lee Yoke Wan	568,600	0.16
24 Alliancegroup Nominees (Tempatan) Sdn Bhd - Pheim Asset Management Sdn Bhd for Hong Leong Assurance Bhd (Life)	565,000	0.16
25 Mayban Nominees (Tempatan) Sdn Bhd - Hwang-DBS Investment Management Bhd for Hwang-DBS (Malaysia) Berhad (220001)	518,000	0.15
26 Ong Siok Liang	500,000	0.14
27 Multi-Purpose Insurans Bhd	468,000	0.13
28 JF Apex Nominees (Tempatan) Sdn Bhd - Pledged Securities A/c for Teo Siew Lai (Margin)	422,461	0.12
29 HLB Nominees (Asing) Sdn Bhd - Pledged Securities A/c for Chang, Tzung-Yaur @ Eddy Chang	372,400	0.10
30 AMSEC Nominees (Tempatan) Sdn Bhd - AMBank (M) Berhad for Investma Sdn Bhd	365,126	0.10
<b>Total</b>	<b>314,485,879</b>	<b>88.57</b>

## SUBSTANTIAL SHAREHOLDERS (as per register of substantial shareholders)

Name	Direct	No. of Shares Held		% <sup>#</sup>
		% <sup>#</sup>	Indirect	
YTL Corporation Berhad	200,108,500	56.36	-	-
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	17,856,300	5.03	200,108,500 <sup>(1)</sup>	56.36
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	-	-	217,964,800 <sup>(2)</sup>	61.39
Employees Provident Fund Board	18,340,400	5.17	-	-

<sup>(1)</sup> Deemed interested by virtue of its interest in YTL Corporation Berhad pursuant to section 6A of the Companies Act, 1965.

<sup>(2)</sup> Deemed interested by virtue of his interest in Yeoh Tiong Lay & Sons Holdings Sdn Bhd & YTL Corporation Berhad pursuant to section 6A of the Companies Act, 1965.

# Based on the issued and paid-up share capital of the Company of RM177,646,036 comprising 355,292,072 ordinary shares and after deduction of 220,800 treasury shares retained by the Company as per Record of Depositors.

# Analysis of Share/Irredeemable Convertible Preference Share (ICPS) Holdings as at 9 October 2006

Class of shares	:	Irredeemable Convertible Preference Shares 2001/2011 (ICPS 2001/2011) of RM0.50 each
Voting rights	:	One vote per ICPS 2001/2011 holder on a show of hands or one vote per ICPS 2001/2011 on a poll in respect of meeting of ICPS 2001/2011 holders

## DISTRIBUTION OF ICPS 2001/2011 HOLDINGS

Size of holding	No. of ICPS		No. of ICPS 2001/2011	
	2001/2011 Holders	%		%
Less than 100	98	5.49	4,844	0.00
100 – 1,000	160	8.95	55,812	0.02
1,001 – 10,000	760	42.53	4,444,670	1.62
10,001 – 100,000	569	31.84	20,567,696	7.50
100,001 to less than 5% of issued ICPS	195	10.91	96,531,294	35.22
5% and above of issued ICPS	5	0.28	152,506,462	55.64
<b>Total</b>	<b>1,787</b>	<b>100.00</b>	<b>274,110,778</b>	<b>100.00</b>

## THIRTY LARGEST IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES 2001/2011 (ICPS 2001/2011) HOLDERS

(without aggregating securities from different securities accounts belonging to the same person)

Name	No. of ICPS 2001/2011	%
1 Mayban Securities Nominees (Tempatan) Sdn Bhd - Construction Lease (M) Sdn Bhd for Opal Ventures Sdn Bhd (DLR 072)	58,000,000	21.16
2 Mayban Nominees (Tempatan) Sdn Bhd - Mayban Investment Management Sdn Bhd for Malayan Banking Berhad (GRM-230592)	31,569,522	11.52
3 Citigroup Nominees (Asing) Sdn Bhd - Goldman Sachs International	27,096,400	9.89
4 AMSEC Nominees (Tempatan) Sdn Bhd - AMBank (M) Berhad (AD1174)	18,239,122	6.65
5 Bumiputra-Commerce Factorslease Berhad	17,601,418	6.42
6 Affin-ACF Finance Berhad	6,676,032	2.44
7 Lee San Ming @ Lee Lay Eng	5,800,000	2.12
8 Jerneh Insurance Bhd	3,726,000	1.36
9 AMSEC Nominees (Tempatan) Sdn Bhd - AMBank (M) Berhad for Dato' Suleiman Bin Abdul Manan	3,713,400	1.35
10 Alliance Bank Malaysia Berhad	3,397,716	1.24
11 Universal Trustee (Malaysia) Berhad - Alliance First Fund	2,500,000	0.91
12 EB Nominees (Tempatan) Sendirian Berhad - Pledged Securities A/c for Mary Ang Poh Chan (PJN)	2,400,000	0.88
13 Mayban Nominees (Tempatan) Sdn Bhd - Mayban Trustees Berhad for FJ Benjamin Fashions (M) Sdn Bhd (TCB-200510)	2,158,534	0.79

# Analysis of Share/Irredeemable Convertible Preference Share (ICPS) Holdings as at 9 October 2006

Name	No. of ICPS 2001/2011	%
14 MIDF SISMA Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Wong Soo Noi (CTS-WSN0001)	2,080,000	0.76
15 Texingo Company Limited	1,900,000	0.69
16 Tan Kok Sing	1,846,200	0.67
17 Malaysian Trustees Berhad - Pacificmas Asset Management Sdn Bhd for Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	1,823,000	0.67
18 Blue Fountain Sdn Bhd	1,600,000	0.58
19 Haw Ah Bee Construction Sdn Bhd	1,600,000	0.58
20 Affin Nominees (Tempatan) Sdn Bhd - Pledged Securities A/c for Tan Sew Hoey (Tan Siew Hoey) (TAN6986M)	1,558,900	0.57
21 Koh Bee Yong	1,504,000	0.55
22 Ong Aik Khoon	1,360,000	0.50
23 Mayban Nominees (Tempatan) Sdn Bhd - Mayban Trustees Berhad for Precious Prospect (M) Sdn Bhd (TCB-200521)	1,321,772	0.48
24 Yong Siew Meng	1,266,000	0.46
25 Teh Bee Geok	1,152,000	0.42
26 Lim Hua	1,070,000	0.39
27 Wong Thian Sang	1,053,686	0.38
28 Ng San Tiong	1,012,000	0.37
29 Malaysia Nominees (Tempatan) Sendirian Berhad - Malaysian Trustees Berhad for Alliance Vision Fund (00-10033-000)	1,000,000	0.36
30 Mayban Nominees (Tempatan) Sdn Bhd - Mayban Trustees Berhad for Generation Two Thousand Apparel Sdn Bhd (TCB-200572)	970,620	0.35
<b>Total</b>	<b>206,996,322</b>	<b>75.51</b>

Class of shares : Irredeemable Convertible Preference Shares 2003/2008 (ICPS 2003/2008) of RM0.50 each  
Voting rights : One vote per ICPS 2003/2008 holder on a show of hands or one vote per ICPS 2003/2008 on a poll in respect of meeting of ICPS 2003/2008 holders

## DISTRIBUTION OF ICPS 2003/2008 HOLDINGS

Size of holding	No. of ICPS		No. of ICPS 2003/2008	
	2003/2008 Holders	%	ICPS 2003/2008	%
Less than 100	0	0.00	0	0.00
100 – 1,000	1	2.50	500	0.00
1,001 – 10,000	33	82.50	70,300	0.01
10,001 – 100,000	1	2.50	22,000	0.00
100,001 to less than 5% of issued ICPS	1	2.50	27,558,922	4.92
5% and above of issued ICPS	4	10.00	533,197,780	95.07
<b>Total</b>	<b>40</b>	<b>100.00</b>	<b>560,849,502</b>	<b>100.00</b>

# Analysis of Share/Irredeemable Convertible Preference Share (ICPS) Holdings as at 9 October 2006

## THIRTY LARGEST IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES 2003/2008 (ICPS 2003/2008) HOLDERS

(without aggregating securities from different securities accounts belonging to the same person)

Name	No. of ICPS 2003/2008	%
1 YTL Corporation Berhad	370,285,058	66.02
2 Mayban Securities Nominees (Tempatan) Sdn Bhd - Construction Lease (M) Sdn Bhd for Bara Aktif Sdn Bhd (DLR 072)	85,666,524	15.27
3 Mayban Securities Nominees (Tempatan) Sdn Bhd - Construction Lease (M) Sdn Bhd for Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir (DLR 072)	47,727,410	8.51
4 Mayban Securities Nominees (Tempatan) Sdn Bhd - Construction Lease (M) Sdn Bhd for MZK Realty Sdn Bhd (DLR 072)	29,518,788	5.26
5 UDA Holdings Berhad	27,558,922	4.91
6 Ng Ngoon Weng	22,000	0.00
7 Chua Pin Chee	4,000	0.00
8 Low Ah Mooi	4,000	0.00
9 Wong Yoke Lian	2,300	0.00
10 Ang Lay Leng	2,000	0.00
11 Chan Wei Yee	2,000	0.00
12 Cheah Eu Jin	2,000	0.00
13 Chen Lai Fun	2,000	0.00
14 Cheong Yuk Kee	2,000	0.00
15 Chin Yen Choo	2,000	0.00
16 Chua Huey Sian	2,000	0.00
17 Chua Huey Tieng	2,000	0.00
18 Fauzanita Rathi Ishak	2,000	0.00
19 Keh Wai Leng	2,000	0.00
20 Khoo Leng Kee @ Lai Soo Sun	2,000	0.00
21 Kok Yoke Ling	2,000	0.00
22 Lai Chee Wai	2,000	0.00
23 Lee Chew Keat	2,000	0.00
24 Lee Chuk Hoe	2,000	0.00
25 Lee Siew Leng	2,000	0.00
26 Lee Teck King	2,000	0.00
27 Lim Shiau Peng	2,000	0.00
28 Lim Tiang Siew	2,000	0.00
29 Lim Yang Hoon	2,000	0.00
30 Mohammed Rafidz Bin Ahmed Rasiddi	2,000	0.00
<b>Total</b>	<b>560,831,002</b>	<b>99.97</b>



# Statement of Directors' Interests

in the company and related corporations as at 9 October 2006

## THE COMPANY

### YTL LAND & DEVELOPMENT BERHAD

Name	Direct	No. of Shares Held		%
		%	Indirect	
Dato' Suleiman Bin Abdul Manan	344,988	0.10	365,126	0.10

Name	Direct	No. of Irredeemable Convertible Preference Shares 2001/2011 Held		%
		%	Indirect	
Dato' Suleiman Bin Abdul Manan	3,713,400	1.35	360,422	0.13
Dato' Yeoh Seok Kian	240,000	0.09	-	-

## HOLDING COMPANY

### YTL CORPORATION BERHAD

Name	Direct	No. of Shares Held		No. of Share Options	
		%	Indirect	%	
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	13,424,052	0.94	-	-	5,000,000
Dato' Yeoh Seok Kian	5,146,010	0.36	-	-	3,500,000
Dato' Hamidah Binti Maktar	50,000	-	-	-	100,000
Dato' Yeoh Seok Hong	4,863,690	0.34	-	-	3,000,000
Dato' Michael Yeoh Sock Siong	4,433,997	0.31	-	-	3,000,000
Dato' Mark Yeoh Seok Kah	3,246,248	0.23	-	-	3,000,000
Eu Peng Meng @ Leslie Eu	10,000	-	-	-	-

Name	Direct	No. of 1997/2007 Warrants Held		%
		%	Indirect	
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	609,600	0.81	-	-
Dato' Yeoh Seok Kian	175,200	0.23	-	-
Dato' Yeoh Seok Hong	172,800	0.23	-	-
Dato' Michael Yeoh Sock Siong	144,000	0.19	-	-

Name	Direct	No. of 1999/2009 Warrants Held		%
		%	Indirect	
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	2,285,472	0.73	-	-
Dato' Yeoh Seok Kian	655,866	0.21	-	-
Dato' Yeoh Seok Hong	648,372	0.21	-	-
Dato' Michael Yeoh Sock Siong	550,110	0.18	-	-
Dato' Mark Yeoh Seok Kah	271,800	0.09	-	-

# Statement of Directors' Interests

in the company and related corporations as at 9 October 2006

## ULTIMATE HOLDING COMPANY

### YEOH TIONG LAY & SONS HOLDINGS SDN BHD

Name	Direct	No. of Shares Held		%
		%	Indirect	
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	5,000,000	12.28	-	-
Dato' Yeoh Seok Kian	5,000,000	12.28	-	-
Dato' Yeoh Seok Hong	5,000,000	12.28	-	-
Dato' Michael Yeoh Sock Siong	5,000,000	12.28	-	-
Dato' Mark Yeoh Seok Kah	5,000,000	12.28	-	-

## RELATED CORPORATIONS

### YTL CEMENT BERHAD

Name	Direct	No. of Shares Held		%	No. of Share Options
		%	Indirect		
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	1,727,423	0.36	-	-	1,400,000
Dato' Yeoh Seok Kian	618,754	0.13	-	-	350,000
Dato' Yeoh Seok Hong	225,634	0.05	-	-	-
Dato' Michael Yeoh Sock Siong	1,265,634	0.26	-	-	1,000,000
Dato' Mark Yeoh Seok Kah	187,200	0.04	-	-	-
Eu Peng Meng @ Leslie Eu	5,000	-	-	-	-

### No. of Irredeemable Convertible Unsecured Loan Stocks 2005/2015 Held

Name	Direct	No. of Irredeemable Convertible Unsecured Loan Stocks		%
		%	Indirect	
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	1,727,423	0.36	-	-
Dato' Yeoh Seok Kian	618,754	0.13	-	-
Dato' Yeoh Seok Hong	225,634	0.05	-	-
Dato' Michael Yeoh Sock Siong	1,265,634	0.26	-	-
Dato' Mark Yeoh Seok Kah	187,200	0.04	-	-

## YTL POWER INTERNATIONAL BERHAD

Name	Direct	No. of Shares Held		%	No. of Share Options
		%	Indirect		
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	11,047,939	0.23	-	-	7,000,000
Dato' Yeoh Seok Kian	3,669,194	0.07	-	-	3,000,000
Dato' Yeoh Seok Hong	5,785,322	0.12	-	-	5,000,000
Dato' Michael Yeoh Sock Siong	3,410,829	0.07	-	-	3,000,000
Dato' Mark Yeoh Seok Kah	4,693,134	0.10	-	-	3,000,000
Eu Peng Meng @ Leslie Eu	15,000	-	-	-	-

# Schedule of Share Buy-back

for the financial year ended 30 June 2006

Save as disclosed below, there are no purchase for other months during the financial year:

Monthly Breakdown	No. of Shares Purchased And Retained As Treasury Shares	Purchase Price Per Share (RM)		Average Cost Per Share (RM)	Total Cost (RM)
		Lowest	Highest		
March 2006	100	0.68	0.68	0.8103	81.03
<b>TOTAL</b>	<b>100</b>	<b>0.68</b>	<b>0.68</b>	<b>0.8103</b>	<b>81.03</b>

During the financial year, all the shares purchased by the Company were retained as treasury shares. As at 30 June, 2006 a total of 220,700 ordinary shares were held as treasury shares. None of the treasury shares were resold or cancelled during the financial year.

# List of Properties

as at 30 June 2006

Location	Tenure	Land Area (acre)	Description and Existing Use	Built up Area (sq. m.)	Approximate Age of Building (years)	Net Book Value as at 30 June 2006 RM'000	Date of Acquisition
Lot 3870, CT 16290 Mukim of Setul District of Seremban	Freehold	1	Development Land	-	-	300	1993/1994
Section 83 & 84 Bandar Kuala Lumpur Wilayah Persekutuan and Mukim Batu, Kuala Lumpur	Freehold	37.592 47.212	Golf Land Development Land	-	-	3,608 25,000	11.9.1995 11.9.1995
CT 21247, Lot 1839, Mukim of Ampang District of Gombak	Freehold	0.483	2 storey detached house for residential use	1,078.23	11	5,328	8.2.2002

# Financial Statements

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# Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2006.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of financial, treasury and secretarial services.

The principal activities of the subsidiaries are disclosed in Note 12 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

## RESULTS

	Group RM'000	Company RM'000
Net profit/(loss) for the year	45,894	(1,712)

There were no material transfers to or from reserves or provisions during the financial year, other than as disclosed in the Statements of Changes in Equity of the Group and of the Company.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

## DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Dato' Suleiman bin Abdul Manan  
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE  
Dato' Chong Keap Thai @ Cheong Keap Tai  
Dato' Yeoh Seok Kian  
Dato' Yeoh Seok Hong  
Dato' Michael Yeoh Sock Siong  
Dato' Mark Yeoh Seok Kah  
Dato' Hamidah binti Maktar  
Eu Peng Meng @ Leslie Eu  
Tan Sri Datuk Seri Panglima Dr. Abu Hassan bin Othman (appointed w.e.f. 12.6.2006)  
Tan Sri Dato' Seri Dr Md Noordin bin Md Sopiee (deceased on 29.12.2005)

In accordance with Article 84 of the Company's Articles of Association, Dato' Yeoh Seok Kian, Dato' Yeoh Seok Hong and Dato' Michael Yeoh Sock Siong retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-election.

Tan Sri Datuk Seri Panglima Dr. Abu Hassan bin Othman who was appointed during the year, retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, offers himself for re-election.

Eu Peng Meng @ Leslie Eu being over seventy years of age, retires in accordance with Section 129 of the Companies Act, 1965, and offers himself for re-appointment to hold office until the conclusion of the next Annual General Meeting.

# Directors' Report

## DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby directors might acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive any benefits (other than the benefits disclosed as directors' remuneration in Note 7 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest required to be disclosed by Section 169(8) of the Companies Act, 1965.

## DIRECTORS' INTERESTS

The following directors who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under Section 134 of the Companies Act, 1965, an interest in shares in the Company, its holding company and related corporations, as stated below:

	Number of Ordinary Shares of RM0.50 Each			As at 30.6.2006
	As at 1.7.2005	Bought	Sold	
<b>The Company</b>				
Direct interest:				
Dato' Suleiman bin Abdul Manan	344,988	–	–	344,988
Indirect interest:				
Dato' Suleiman bin Abdul Manan #	365,126	–	–	365,126

# Deemed interests by virtue of his interests in Investma Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

	Number of ICPS-A of RM0.50 Each			As at 30.6.2006
	As at 1.7.2005	Granted	Exercised	
Direct interest:				
Dato' Suleiman bin Abdul Manan	4,377,400	–	664,000	3,713,400
Dato' Yeoh Seok Kian	240,000	–	–	240,000
Indirect interest:				
Dato' Suleiman bin Abdul Manan *	360,422	–	–	360,422

\* Deemed interests by virtue of his interests in DSM Resources Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

# Directors' Report

	Number of Ordinary Shares of RM0.50 Each			As at 30.6.2006
	As at 1.7.2005	Bought	Sold	
<b>HOLDING COMPANY</b>				
<b>YTL CORPORATION BERHAD</b>				
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	9,887,447	2,500,000	–	12,387,447
Dato' Yeoh Seok Kian	3,396,010	1,750,000	–	5,146,010
Dato' Yeoh Seok Hong	3,363,690	1,500,000	–	4,863,690
Dato' Michael Yeoh Sock Siong	2,933,997	1,500,000	–	4,433,997
Dato' Mark Yeoh Seok Kah	1,746,248	1,500,000	–	3,246,248
Dato' Hamidah binti Maktar	–	100,000	50,000	50,000

	Number of Warrants			As at 30.6.2006
	As a 1.7.2005	Bought	Sold	
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE				
– Warrants 1997/2007	573,600	–	–	573,600
– Warrants 1999/2009	2,147,472	–	–	2,147,472
Dato' Yeoh Seok Kian				
– Warrants 1997/2007	175,200	–	–	175,200
– Warrants 1999/2009	655,866	–	–	655,866
Dato' Yeoh Seok Hong				
– Warrants 1997/2007	172,800	–	–	172,800
– Warrants 1999/2009	648,372	–	–	648,372
Dato' Michael Yeoh Sock Siong				
– Warrants 1997/2007	144,000	–	–	144,000
– Warrants 1999/2009	550,110	–	–	550,110
Dato' Mark Yeoh Seok Kah				
– Warrants 1999/2009	271,800	–	–	271,800

	Number of Options Over Ordinary Shares of RM0.50 Each			As at 30.6.2006
	As at 1.7.2005	Granted	Exercised	
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	2,500,000	5,000,000	2,500,000	5,000,000
Dato' Yeoh Seok Kian	1,750,000	3,500,000	1,750,000	3,500,000
Dato' Yeoh Seok Hong	1,500,000	3,000,000	1,500,000	3,000,000
Dato' Michael Yeoh Sock Siong	1,500,000	3,000,000	1,500,000	3,000,000
Dato' Mark Yeoh Seok Kah	1,500,000	3,000,000	1,500,000	3,000,000
Dato' Hamidah binti Maktar	100,000	100,000	100,000	100,000



# Directors' Report

	Number of Ordinary Shares of RM1.00 Each			
	As at 1.7.2005	Bought	Sold	As at 30.6.2006
<b>ULTIMATE HOLDING COMPANY</b>				
<b>YEOH TIONG LAY &amp; SONS HOLDINGS SDN BHD</b>				
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	5,000,000	–	–	5,000,000
Dato' Yeoh Seok Kian	5,000,000	–	–	5,000,000
Dato' Yeoh Seok Hong	5,000,000	–	–	5,000,000
Dato' Michael Yeoh Sock Siong	5,000,000	–	–	5,000,000
Dato' Mark Yeoh Seok Kah	5,000,000	–	–	5,000,000

	Number of Ordinary Shares of RM0.50 Each			
	As at 1.7.2005	Bought	Sold	As at 30.6.2006

## RELATED COMPANIES

### YTL CEMENT BERHAD

Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	1,681,634	–	–	1,681,634
Dato' Yeoh Seok Kian	618,754	–	–	618,754
Dato' Yeoh Seok Hong	225,634	–	–	225,634
Dato' Michael Yeoh Sock Siong	1,265,634	–	–	1,265,634
Dato' Mark Yeoh Seok Kah	187,200	–	–	187,200

	Number of Irredeemable Convertible Unsecured Loan Stocks (ICULS) of RM1.00 each			
	As at 1.7.2005	Bought	Sold	As at 30.6.2006

Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	–	1,681,634	–	1,681,634
Dato' Yeoh Seok Kian	–	618,754	–	618,754
Dato' Yeoh Seok Hong	–	225,634	–	225,634
Dato' Michael Yeoh Sock Siong	–	1,265,634	–	1,265,634
Dato' Mark Yeoh Seok Kah	–	187,200	–	187,200

	Number of Options Over Ordinary Shares of RM0.50 Each			
	As at 1.7.2005	Granted	Exercised	As at 30.6.2006
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	–	1,400,000	–	1,400,000
Dato' Yeoh Seok Kian	–	350,000	–	350,000
Dato' Michael Yeoh Sock Siong	–	1,000,000	–	1,000,000

## Directors' Report

	Number of Ordinary Shares of RM0.50 Each			
	As at 1.7.2005	Bought	Sold	As at 30.6.2006
<b>RELATED COMPANIES</b>				
<b>YTL POWER INTERNATIONAL BERHAD</b>				
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	3,905,834	7,000,000	–	10,905,834
Dato' Yeoh Seok Kian	669,194	3,000,000	–	3,669,194
Dato' Yeoh Seok Hong	485,322	5,000,000	–	5,485,322
Dato' Michael Yeoh Sock Siong	410,829	3,000,000	–	3,410,829
Dato' Mark Yeoh Seok Kah	1,693,134	3,000,000	–	4,693,134

	Number of Options Over Ordinary Shares of RM0.50 Each			
	As at 1.7.2005	Granted	Exercised	As at 30.6.2006
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	7,000,000	7,000,000	7,000,000	7,000,000
Dato' Yeoh Seok Kian	3,000,000	3,000,000	3,000,000	3,000,000
Dato' Yeoh Seok Hong	5,000,000	5,000,000	5,000,000	5,000,000
Dato' Michael Yeoh Sock Siong	3,000,000	3,000,000	3,000,000	3,000,000
Dato' Mark Yeoh Seok Kah	3,000,000	3,000,000	3,000,000	3,000,000

	Number of Ordinary Shares of 1p Each			
	As at 1.7.2005	Bought	Sold	As at 30.6.2006
<b>RELATED COMPANIES</b>				
<b>INFOSCREEN NETWORKS PLC</b>				
(formerly known as Infoscreen Networks Limited) ®				
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	100	–	–	100

® Incorporated in the United Kingdom

	Number of Ordinary Shares of RM1.00 Each			
	As at 1.7.2005	Bought	Sold	As at 30.6.2006
<b>RELATED COMPANIES</b>				
<b>SYARIKAT PELANCHONGAN SERI ANDALAN (M) SDN BHD</b>				
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	1	–	–	1

# Directors' Report

	Number of Ordinary Shares of S\$1.00 Each			As at 30.6.2006
	As at 1.7.2005	Bought	Sold	
<b>RELATED COMPANIES</b>				
<b>YEOH TIONG LAY CONSTRUCTION (S) PTE LTD ^</b>				
Direct interest:				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE	2	–	–	2

^ Incorporated in Singapore

## SHARE CAPITAL

During the financial year, the Company issued 10,797,892 new ordinary shares of RM0.50 each upon conversion of 42,111,782 ICPS-A at a conversion ratio of one new ordinary share of RM0.50 each for every 3.90 ICPS-A of RM0.50 each.

## TREASURY SHARES

During the financial year, the Company repurchased 100 (2005: 200) of its issued ordinary shares of RM0.50 per share from the open market at RM0.81 per share. The total consideration paid for the repurchased shares including transaction costs was RM81 (2005: RM239). The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

## OTHER STATUTORY INFORMATION

- a Before the income statements and balance sheets of the Group and of the Company were made out, the directors took reasonable steps:
  - i to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - ii to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- b At the date of this report, the directors are not aware of any circumstances which would render:
  - i the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - ii the values attributed to current assets in the financial statements of the Group and of the Company misleading.
- c At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

## Directors' Report

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- d At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- e As at the date of this report, there does not exist:
  - i any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - ii any contingent liability in respect of the Group or of the Company which has arisen since the end of the financial year, except as disclosed on Note 36 to the financial statements.
- f In the opinion of the directors:
  - i no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and
  - ii no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

### AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors.

Dato' Suleiman bin Abdul Manan

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE

Kuala Lumpur, Malaysia  
19 October 2006

# Statement By Directors

pursuant to Section 169(15) of The Companies Act, 1965

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We, Dato' Suleiman bin Abdul Manan and Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, being two of the directors of YTL Land & Development Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 53 to 85 are drawn up in accordance with applicable MASB Approved Accounting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2006 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors

Dato' Suleiman bin Abdul Manan

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE

Kuala Lumpur, Malaysia

19 October 2006

# Statutory Declaration

pursuant to Section 169(16) of The Companies Act, 1965

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I, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, being the director primarily responsible for the financial management of YTL Land & Development Berhad, do solemnly and sincerely declare that the financial statements set out on pages 53 to 85 are in my opinion correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE

Subscribed and solemnly declared by  
the abovenamed Tan Sri Dato' (Dr)  
Francis Yeoh Sock Ping, CBE at  
Kuala Lumpur in the Federal Territory  
on 19 October 2006

Before me,

Soh Ah Kau, AMN  
Commissioner of Oaths

# Report of the Auditors

to the members of YTL Land & Development Berhad (Incorporated in Malaysia)

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We have audited the accompanying financial statements set out on pages 53 to 85. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We have conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia so as to give a true and fair view of:
  - (i) the financial position of the Group and of the Company as at 30 June 2006 and of the results and the cash flows of the Group and of the Company for the year then ended; and
  - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and the auditors' reports thereon of the subsidiaries of which we have not acted as auditors, as indicated in Note 12 to the financial statements, being financial statements that have been included in the consolidated financial statements.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

Ernst & Young  
AF: 0039  
Chartered Accountants

Choong Mei Ling  
No. 1918/09/08 (J)  
Partner

Kuala Lumpur, Malaysia  
19 October 2006

# Income Statements

for the year ended 30 June 2006

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Revenue	3	127,911	175,524	–	–
Cost of sales	4	(73,381)	(119,438)	–	–
Gross profit		54,530	56,086	–	–
Other operating income		14,755	4,519	3,369	829
Administration expenses		(17,698)	(14,475)	(5,037)	(3,277)
Profit/(loss) from operations	5	51,587	46,130	(1,668)	(2,448)
Finance costs	8	(1,633)	(1,332)	(44)	(22)
Profit/(loss) before taxation		49,954	44,798	(1,712)	(2,470)
Taxation	9	(4,060)	(1,594)	–	–
Net profit/(loss) for the year		45,894	43,204	(1,712)	(2,470)
Basic earnings per ordinary share (sen)	10	13.07	12.66		
Fully diluted earnings per ordinary share (sen)	10	5.46	5.14		

The accompanying notes form an integral part of the financial statements.

# Balance Sheets

as at 30 June 2006

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	11	34,955	33,706	8,043	7,504
Investment in subsidiaries	12	–	–	273,832	273,832
Investment properties	13	82,882	84,525	–	–
Development properties	14	398,609	376,063	10,485	–
Goodwill on consolidation	15	12,183	12,163	–	–
		<b>528,629</b>	<b>506,457</b>	<b>292,360</b>	<b>281,336</b>
<b>CURRENT ASSETS</b>					
Inventories	16	54,424	40,909	–	–
Property development costs	17	177,669	175,627	–	–
Trade receivables	18	38,924	61,670	–	–
Other receivables	19	15,332	12,075	1,243	1,697
Amount due from subsidiaries	20	–	–	154,414	90,040
Amount due from related companies	21	717	192	–	–
Fixed deposits with licensed financial institutions	22	95,526	176,015	22,861	100,493
Cash and bank balances	23	10,404	16,663	148	20
		<b>392,996</b>	<b>483,151</b>	<b>178,666</b>	<b>192,250</b>
<b>CURRENT LIABILITIES</b>					
Provisions	24	12,257	14,391	–	–
Trade payables	25	3,792	2,108	–	–
Other payables	26	23,318	27,602	716	1,505
Amount due to ultimate holding company	21	1	1	–	–
Amount due to immediate holding company	21	430	36	419	27
Amount due to related companies	21	50,718	135,114	218	251
Borrowings	27	42,467	24,449	346	418
Taxation		626	2,703	534	534
		<b>133,609</b>	<b>206,404</b>	<b>2,233</b>	<b>2,735</b>
<b>NET CURRENT ASSETS</b>		<b>259,387</b>	<b>276,747</b>	<b>176,433</b>	<b>189,515</b>
		<b>788,016</b>	<b>783,204</b>	<b>468,793</b>	<b>470,851</b>
<b>FINANCED BY:</b>					
Share capital	29	595,190	610,847	595,190	610,847
Share premium		97,782	82,125	97,782	82,125
Treasury shares	30	(264)	(264)	(264)	(264)
Accumulated losses		(180,234)	(226,128)	(224,186)	(222,474)
		<b>512,474</b>	<b>466,580</b>	<b>468,522</b>	<b>470,234</b>
Borrowings	27	146,965	186,140	271	617
Long term liabilities	31	69,216	69,216	–	–
Deferred tax liabilities	32	59,361	61,268	–	–
		<b>788,016</b>	<b>783,204</b>	<b>468,793</b>	<b>470,851</b>

The accompanying notes form an integral part of the financial statements.



# Statements of Changes in Equity

for the year ended 30 June 2006

	Note	Share Capital		Non-Distributable			Total RM'000
		Ordinary Shares RM'000	ICPS RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	
<b>GROUP</b>							
<b>At 1 July 2004</b>		169,116	448,166	73,123	(263)	(269,332)	420,810
Issue of shares	29	–	2,567	–	–	–	2,567
Conversion of ICPS to ordinary shares	29	3,109	(12,111)	9,002	–	–	–
Shares repurchased	30	–	–	–	(1)	–	(1)
Net profit for the year		–	–	–	–	43,204	43,204
<b>At 30 June 2005</b>		<b>172,225</b>	<b>438,622</b>	<b>82,125</b>	<b>(264)</b>	<b>(226,128)</b>	<b>466,580</b>
<b>At 1 July 2005</b>		172,225	438,622	82,125	(264)	(226,128)	466,580
Conversion of ICPS to ordinary shares	29	5,399	(21,056)	15,657	–	–	–
Net profit for the year		–	–	–	–	45,894	45,894
<b>At 30 June 2006</b>		<b>177,624</b>	<b>417,566</b>	<b>97,782</b>	<b>(264)</b>	<b>(180,234)</b>	<b>512,474</b>
<b>COMPANY</b>							
<b>At 1 July 2004</b>		169,116	448,166	73,123	(263)	(220,004)	470,138
Issue of shares	29	–	2,567	–	–	–	2,567
Conversion of ICPS to ordinary shares	29	3,109	(12,111)	9,002	–	–	–
Shares repurchased	30	–	–	–	(1)	–	(1)
Net loss for the year		–	–	–	–	(2,470)	(2,470)
<b>At 30 June 2005</b>		<b>172,225</b>	<b>438,622</b>	<b>82,125</b>	<b>(264)</b>	<b>(222,474)</b>	<b>470,234</b>
Conversion of ICPS to ordinary shares	29	5,399	(21,056)	15,657	–	–	–
Net loss for the year		–	–	–	–	(1,712)	(1,712)
<b>At 30 June 2006</b>		<b>177,624</b>	<b>417,566</b>	<b>97,782</b>	<b>(264)</b>	<b>(224,186)</b>	<b>468,522</b>

The accompanying notes form an integral part of the financial statements.

# Cash Flow Statements

for the year ended 30 June 2006

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit/(loss) before taxation	49,954	44,798	(1,712)	(2,470)
Adjustments for:				
Depreciation	1,176	1,245	430	246
Interest income	(3,987)	(2,705)	(1,931)	(683)
Interest expense	1,633	1,332	44	22
Property, plant and equipment written off	–	7	–	–
Gain on disposal of property, plant and equipment	(46)	–	–	–
Net provision of damages claims	256	1,031	–	–
Operating gain/(loss) before working capital changes	48,986	45,708	(3,169)	(2,885)
Working capital changes:				
(Increase)/decrease in property development costs	(399)	3,065	–	–
(Increase)/decrease in inventories	(13,515)	1,994	–	–
Decrease/(increase) in receivables	21,507	(14,950)	454	(1,335)
(Decrease)/increase in payables	(4,990)	(24,177)	(789)	4
Increase/(decrease) in amount due to holding company	394	(84)	392	(85)
(Increase)/decrease in amount due from subsidiaries	–	–	(64,374)	104,138
(Decrease)/increase in amount due to related companies	(84,921)	34,520	(33)	224
Cash (used in)/generated from operating activities	(32,938)	46,076	(67,519)	100,061
Income tax paid	(10,062)	(10,343)	–	–
Net cash (used in)/generated from operating activities	(43,000)	35,733	(67,519)	100,061
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	3,987	2,705	1,931	683
Investment properties	–	(21,880)	–	–
Development property	(22,546)	9,380	(10,485)	–
Acquisition of additional shares in a subsidiary from minority shareholder	(20)	–	–	–
Purchase of property, plant and equipment	(2,111)	(6,613)	(969)	(18)
Proceeds from disposal of property, plant and equipment	46	–	–	–
Net cash (used in)/generated from investing activities	(20,644)	(16,408)	(9,523)	665

# Cash Flow Statements

for the year ended 30 June 2006

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Drawdown of term loan		-	100,000	-	-
Repayment of term loan		(17,526)	(1,701)	-	-
Revolving credit		(3,002)	1	-	-
Shares repurchased		-	(1)	-	(1)
Hire purchase repayment		(943)	(782)	(418)	(268)
Interest paid		(1,633)	(1,332)	(44)	(22)
Net cash (used in)/generated from financing activities		(23,104)	96,185	(462)	(291)
<b>NET (DECREASE)/INCREASE IN CASH &amp; CASH EQUIVALENTS</b>		<b>(86,748)</b>	<b>115,510</b>	<b>(77,504)</b>	<b>100,435</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>192,678</b>	<b>77,168</b>	<b>100,513</b>	<b>78</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE YEAR</b>	33	<b>105,930</b>	<b>192,678</b>	<b>23,009</b>	<b>100,513</b>

Cash and cash equivalents consist of the following:

Fixed deposits with licensed financial institutions	22	95,526	176,015	22,861	100,493
Cash and bank balances	23	10,404	16,663	148	20
		<b>105,930</b>	<b>192,678</b>	<b>23,009</b>	<b>100,513</b>

During the year, the Group and the Company acquired property, plant and equipment with aggregate cost of RM2,425,000 (2005: RM8,169,000) and RM969,000 (2005: RM1,150,000) respectively of which RM314,000 (2005: RM1,556,000) and RM nil (2005: RM1,132,000) was acquired by means of hire purchase arrangements. Cash payments of RM2,111,000 (2005: RM6,613,000) and RM969,000 (2005: RM18,000) were made to purchase property, plant and equipment of the Group and the Company respectively.

## Non-cash transaction

In the previous financial year, the Company issued irredeemable convertible preference shares to settle the liabilities of the Company.

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Payables	-	2,567	-	2,567

The accompanying notes form an integral part of the financial statements.

# Notes to the Financial Statements

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## 1 GENERAL INFORMATION

The principal activities of the Company are investment holding and the provision of financial, treasury and secretarial services. The principal activities of the subsidiaries are disclosed in Note 12 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office of the Company is located at 11th Floor, Yeoh Tiong Lay Plaza, 55 Jalan Bukit Bintang, 55100 Kuala Lumpur.

The number of employees, excluding the directors, of the Group and of the Company at the end of the financial year were 237 (2005: 232) and 11 (2005: 12) respectively.

The financial statements are expressed in Ringgit Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 19 October 2006.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### a Basis of Preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention, modified to include the revaluation of investment in subsidiaries.

The financial statements comply with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia.

The consolidated financial statements include the financial statements of the Company and all its subsidiaries. Subsidiaries are those companies in which the Group has a long term equity interest and where it has power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

### b Basis of Consolidation

Subsidiaries are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. The assets and liabilities of the subsidiaries are measured at their fair values at the date of acquisition and these values are reflected in the consolidated balance sheet. The difference between the cost of an acquisition and the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition is included in the consolidated balance sheet as goodwill or negative goodwill arising on consolidation. Goodwill is retained in the consolidated balance sheet and is only written down when the directors are of the opinion that there is an impairment in value.

# Notes to the Financial Statements

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Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

The gain or loss on disposal of a subsidiary company is the difference between the net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill and exchange differences which were not previously recognised in the consolidated income statement.

Minority interest is measured at the minorities' share of the post acquisition fair values of the identifiable assets and liabilities of the acquiree.

## **c Property, Plant and Equipment and Depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(m).

Freehold land and Sentul Park situated on the freehold land are not depreciated. Leasehold lands are depreciated over the period of the respective leases which range from 21 years to 60 years. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following rates:

Buildings	2%
Furniture, fixtures and fittings	10%
Office equipment and plant	10% – 20%
Renovations	10%
Motor vehicles	16%
Other equipment	10%

## **d Investment in Subsidiaries**

The Company's investment in subsidiaries is stated at cost, except for those subsidiaries which are stated at valuation by the directors based on the net asset value of the subsidiaries in 1995, less impairment losses. The directors have no intention to revalue the investments in those subsidiary companies on a periodic basis.

The policy for the recognition and measurement of impairment losses is in accordance with Note 2(m).

On disposal of such investment, the difference between net disposal proceeds and their carrying amounts is recognised in the income statement.

Dividend income from subsidiaries are included in the income statement of the Company when declared.

## **e Investment Properties**

The Group regards investment properties as being land prepared for their investment potential. Investment properties are stated at cost less provision for any permanent diminution in value. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(m).

# Notes to the Financial Statements

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## **f Foreign Currencies**

Transactions in foreign currencies are translated into Ringgit Malaysia at the rates of exchange ruling at the date of transaction and outstanding foreign currency balances at the balance sheet date are translated at rates of exchange ruling at that date. All foreign exchange gains or losses are dealt with through the income statement. As at 30 June 2006, the Group and the Company have no foreign currency monetary assets and liabilities. Accordingly, no foreign currency closing exchange rates are disclosed.

## **g Development Property and Property Development Costs**

### **i Development Property**

Development property consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(m).

Development property is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

### **ii Property Development Costs**

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the income statement over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

# Notes to the Financial Statements

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## **h Inventories**

Inventories of completed properties for resale are stated at the lower of cost and net realisable value. Cost includes apportioned land cost and development expenditure incurred.

## **i Income Tax**

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of the assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or a liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rate that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

## **j Revenue Recognition**

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

### **i Property Development**

Profit from development projects is recognised on the percentage of completion method. The percentage of completion method is used on development projects with substantial contract values and where the outcome can be reliably estimated. Provision is made for all foreseeable losses on development.

### **ii Others**

Revenue is recognised when the right to receive is established.

## **k Treasury Shares**

Shares bought back are held as treasury shares and are accounted for on the cost method. Should such shares be cancelled, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves as appropriate.

# Notes to the Financial Statements

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## **l Cash and Cash Equivalents**

For the purpose of the cash flow statements, cash and cash equivalents include cash on hand and at banks, deposit at call, and short term highly liquid investments that are readily convertible to cash without significant risk of changes in value, less short term borrowings repayable on demand.

## **m Impairment of Assets**

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts.

Recoverable amounts is the higher of the net selling price and the value in use, which is measured by reference to discounted future cash flows.

An impairment loss is recognised as an expense in the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any unutilised previously recognised revaluation surplus for the same asset.

## **n Financial Instruments**

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

### **i Receivables**

Trade and other receivables are carried at anticipated realisable values. All known bad debts are written off in the period which they are identified while doubtful debts are provided for based on an estimation of possible losses which may arise from non-collection.

### **ii Payables**

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.



# Notes to the Financial Statements

## iii Equity Instruments

Ordinary shares are classified as equity. The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

When issued shares of the Company are repurchased, the consideration paid, including any attributable transaction costs is presented as a change in equity. Repurchased ordinary shares that have not been cancelled are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in the income statement on the sale, re-issuance or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity.

## iv Interest-Bearing Borrowings

Interest-bearing bank loans are recorded at the amount of proceeds received, net of transaction costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. The amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate which is the weighted average of the borrowing costs applicable to the Group's borrowings that are outstanding during the financial year, other than borrowings made specifically for the purpose of obtaining another qualifying asset. For borrowings made specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of that borrowing.

All other borrowing costs are recognised as an expense in the income statement in the period in which they are incurred.

## o Provision for Damages Claims

Provision for damages claims is in respect of projects undertaken by a subsidiary. The provision is recognised for expected liquidated ascertained damages claims based on the terms of the applicable sale and purchase agreements.

## 3 REVENUE

	Group	
	2006	2005
	RM'000	RM'000
Sales of completed properties	468	2,603
Revenue from property development	127,443	172,921
	<b>127,911</b>	<b>175,524</b>

## Notes to the Financial Statements

### 4 COST OF SALES

	Group	
	2006	2005
	RM'000	RM'000
Cost of inventories sold	579	1,994
Property development costs (Note 17)	72,802	117,444
	<b>73,381</b>	<b>119,438</b>

### 5 PROFIT/(LOSS) FROM OPERATIONS

This is arrived at after charging/(crediting):

	Group		Company	
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Staff costs (Note 6)	1,897	1,669	478	466
Auditors' remuneration	134	132	35	35
Depreciation	1,176	1,245	430	246
Executive directors' remuneration (Note 7)	1,341	1,292	659	596
Non-executive directors' remuneration (Note 7)	650	603	650	603
Provision for doubtful debts				
– subsidiaries	–	–	28	12
– other debtors	40	–	–	–
Property, plant and equipment written off	–	7	–	–
Gain on disposal of property, plant and equipment	(46)	–	–	–
Rental expenses				
– building	1,082	355	974	337
– equipment	38	9	10	8
Rental income	(1,421)	(235)	–	–
Interest income	(3,987)	(2,705)	(1,931)	(683)
Net provision of damages claims (Note 24)	256	1,031	–	–
Bad debts recovered	–	–	(11)	–
Management fees from subsidiaries	–	–	(600)	–

## Notes to the Financial Statements

### 6 STAFF COSTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Wages and salaries	1,500	1,394	428	419
Social security costs	15	11	5	4
Pension costs				
– defined contribution plans	160	133	45	43
Other staff related expenses	222	131	–	–
	<b>1,897</b>	<b>1,669</b>	<b>478</b>	<b>466</b>

The staff costs of the Group and of the Company exclude executive director's remuneration amounting to RM1,341,000 (2005: RM1,292,000) and RM659,000 (2005: RM596,000) respectively as disclosed in Note 7.

### 7 DIRECTORS' REMUNERATION

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>Directors of the Company</b>				
Executive directors:				
Salaries and other emoluments	384	364	384	364
Fees	125	132	125	132
Bonus	150	100	150	100
Benefits-in-kind	42	35	42	35
	<b>701</b>	<b>631</b>	<b>701</b>	<b>631</b>
Non-executive directors:				
Salaries and other emoluments	455	455	455	455
Fees	95	48	95	48
Bonus	100	100	100	100
Benefits-in-kind	154	87	154	87
	<b>804</b>	<b>690</b>	<b>804</b>	<b>690</b>
<b>Directors of Subsidiaries</b>				
Executive directors:				
Salaries and other emoluments	672	672	–	–
Fees	10	24	–	–
Benefits-in-kind	54	41	–	–
	<b>736</b>	<b>737</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>2,241</b>	<b>2,058</b>	<b>1,505</b>	<b>1,321</b>
<b>Analysis excluding benefits-in-kind:</b>				
Total executive directors' remuneration excluding benefits-in-kind (Note 5)	1,341	1,292	659	596
Total non-executive directors' remuneration excluding benefits-in-kind (Note 5)	650	603	650	603
<b>Total directors' remuneration excluding benefits-in-kind</b>	<b>1,991</b>	<b>1,895</b>	<b>1,309</b>	<b>1,199</b>

## Notes to the Financial Statements

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of directors	
	2006	2005
Executive directors:		
RM1 – RM50,000	5	5
RM550,001 – RM600,000	1	1
Non-executive directors:		
RM1 – RM50,000	3	3
RM700,001 – RM750,000	1	1

### 8 FINANCE COSTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Interest expenses on:				
– hire purchase	76	71	44	22
– term loan	1,557	1,251	–	–
– others	–	10	–	–
	<b>1,633</b>	<b>1,332</b>	<b>44</b>	<b>22</b>

### 9 TAXATION

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Tax expense for the year:				
Malaysian income tax	6,050	10,933	–	–
Deferred tax (Note 32):				
Relating to origination and reversal of temporary differences	(1,907)	(3,513)	–	–
Over provision in prior years:				
Malaysian income tax	(83)	(5,826)	–	–
	<b>4,060</b>	<b>1,594</b>	<b>–</b>	<b>–</b>

## Notes to the Financial Statements

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Profit/(loss) before taxation	49,954	44,798	(1,712)	(2,470)
Taxation at Malaysian statutory tax rate of 28% (2005: 28%)	13,987	12,543	(479)	(692)
Effects of expenses not deductible for tax purposes	1,896	1,743	267	193
Effect of different tax rate	(80)	(81)	–	–
Effect of utilisation of previously unrecognised unabsorbed capital allowances and tax losses	(11,971)	(7,520)	–	–
Deferred tax assets not recognised during the year	311	735	212	499
Over provision of income tax expense in prior year	(83)	(5,826)	–	–
Tax expense for the year	4,060	1,594	–	–

### 10 EARNINGS PER SHARE

#### a Basic Earnings Per Share

The basic earnings per share of the Group has been computed by dividing the Group profit attributable to the shareholders of RM45,894,000 (2005: RM43,204,000) by the weighted average number of ordinary shares in issue during the year of 351,249,817 (2005: 341,252,217).

#### b Fully Diluted Earnings Per Share

The fully diluted earnings per share of the Group has been computed by dividing the Group profit attributable to the shareholders of RM45,894,000 (2005: RM43,204,000) by the adjusted weighted average number of shares of 840,123,037 (2005: 840,923,329), assuming the full conversion of the irredeemable convertible preference shares in issue during the year of 835,131,880 (2005: 877,243,662).

# Notes to the Financial Statements

## 11 PROPERTY, PLANT AND EQUIPMENT

### GROUP

	Freehold land RM'000	Building RM'000	Leasehold land RM'000	Furniture, fixtures & fittings RM'000	Office equipment and plant RM'000	Renovations RM'000	Motor vehicles RM'000	Sentul Park RM'000	Total RM'000
<b>Cost</b>									
At 1 July 2005	6,644	2,823	123	2,724	3,974	1,468	4,586	20,235	42,577
Additions	–	–	–	182	645	708	357	533	2,425
Disposals	–	–	–	–	–	–	(98)	–	(98)
At 30 June 2006	<b>6,644</b>	<b>2,823</b>	<b>123</b>	<b>2,906</b>	<b>4,619</b>	<b>2,176</b>	<b>4,845</b>	<b>20,768</b>	<b>44,904</b>
<b>Accumulated Depreciation</b>									
At 1 July 2005	–	175	64	2,324	3,025	829	2,454	–	8,871
Charge for the year	–	56	4	157	256	136	567	–	1,176
Disposals	–	–	–	–	–	–	(98)	–	(98)
At 30 June 2006	–	<b>231</b>	<b>68</b>	<b>2,481</b>	<b>3,281</b>	<b>965</b>	<b>2,923</b>	–	<b>9,949</b>
<b>Net Book Value</b>									
At 30 June 2006	<b>6,644</b>	<b>2,592</b>	<b>55</b>	<b>425</b>	<b>1,338</b>	<b>1,211</b>	<b>1,922</b>	<b>20,768</b>	<b>34,955</b>
At 30 June 2005	6,644	2,648	59	400	949	639	2,132	20,235	33,706
<b>Details at 1 July 2004</b>									
Cost	6,644	2,823	123	2,703	3,989	1,432	3,021	13,907	34,642
Accumulated depreciation	–	118	56	2,137	3,017	730	1,795	–	7,853
<b>Depreciation charge for 2005</b>									
	–	57	8	187	235	99	659	–	1,245

Freehold land of RM3,608,000 (2005: RM3,608,000) of the Group is subject to a charge in favour of banks for the term loans referred to in Note 27 to the financial statements.

During the year, the Group acquired property, plant and equipment with an aggregate cost of RM2,425,000 (2005: RM8,169,000) of which RM314,000 (2005: RM1,556,000) was acquired by means of hire purchase arrangements.

## Notes to the Financial Statements

### COMPANY

	Freehold land RM'000	Building RM'000	Furniture, fixtures & fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Renovations RM'000	Total RM'000
<b>Cost</b>							
At 1 July 2005	3,036	2,823	30	153	1,408	696	8,146
Additions	-	-	103	158	-	708	969
At 30 June 2006	<b>3,036</b>	<b>2,823</b>	<b>133</b>	<b>311</b>	<b>1,408</b>	<b>1,404</b>	<b>9,115</b>
<b>Accumulated depreciation</b>							
At 1 July 2005	-	173	15	108	153	193	642
Charge for the year	-	56	10	31	225	108	430
At 30 June 2006	-	<b>229</b>	<b>25</b>	<b>139</b>	<b>378</b>	<b>301</b>	<b>1,072</b>
<b>Net Book Value</b>							
At 30 June 2006	<b>3,036</b>	<b>2,594</b>	<b>108</b>	<b>172</b>	<b>1,030</b>	<b>1,103</b>	<b>8,043</b>
At 30 June 2005	3,036	2,650	15	45	1,255	503	7,504
<b>Details at 1 July 2004</b>							
Cost	3,036	2,823	30	140	276	696	7,001
Accumulated depreciation	-	117	12	101	48	123	401
<b>Depreciation charge for 2005</b>	-	56	3	12	105	70	246

### 12 INVESTMENT IN SUBSIDIARIES

	Company	
	2006 RM'000	2005 RM'000
Unquoted shares:		
- At cost	264,699	264,699
- At valuation	222,296	222,296
	<b>486,995</b>	<b>486,995</b>
Less: Accumulated impairment losses	(213,163)	(213,163)
	<b>273,832</b>	<b>273,832</b>

The directors had revalued the Company's investment in subsidiaries based on the fair value of the subsidiaries' net assets in 1995.

## Notes to the Financial Statements

The details of subsidiary companies, all of which are incorporated in Malaysia, are as follows:

Name of Subsidiaries	Principal Activities	Effective Equity Interest	
		2006 %	2005 %
Sentul Raya Sdn Bhd	Property development and property investment	70	70
Sentul Raya Golf Club Berhad	Promotion of golf, other sports and hobbies	70	70
Sentul Raya City Sdn Bhd	Property development and property investment	70	70
Sentul Park Management Sdn Bhd	Park management	70	70
Mayang Sari Sdn Bhd	Dormant	100	100
SR Property Management Sdn Bhd	Property Management	100	100
Lot Ten Security Sdn Bhd	Dormant	100	100
Boom Time Strategies Sdn Bhd	Dormant	100	51

Subsidiary Companies	Principal Activities	Effective Equity Interest	
		2006 %	2005 %
* Amanresorts Sdn Bhd	Dormant	100	100
* Pakatan Perakbina Sdn Bhd	Property development	100	100
* Syarikat Kemajuan Perumahan Negara Sdn Bhd	Property development	100	100
* Noriwasa Sdn Bhd	Dormant	100	100
* Udapakat Bina Sdn Bhd	Property development	100	100
* PYP Sdn Bhd	Property development	100	100
* Bayumaju Development Sdn Bhd	Property development	100	100

\* Audited by firms of auditors other than Ernst & Young

### Acquisition of Subsidiary

On 15 December 2005, SR Property Management Sdn Bhd (SRPM), a subsidiary of the Company, entered into a Sale and Purchase Agreement to acquire 4,900 ordinary shares of RM1 each in Boom Time Strategies Sdn. Bhd. (BTS) from Secure Parking Corporation Sdn Bhd, representing the remaining 49% equity interest in BTS for a purchase consideration of RM19,502. The acquisition had resulted in SRPM holding 100% equity interests in BTS.



# Notes to the Financial Statements

## 13 INVESTMENT PROPERTIES

	Group	
	2006 RM'000	2005 RM'000
Freehold land, at cost	25,000	25,000
Capital work-in-progress	57,882	59,525
	<b>82,882</b>	<b>84,525</b>

The freehold land is subject to a charge in favour of banks for the term loans referred to in Note 27 to the financial statements.

## 14 DEVELOPMENT PROPERTIES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>Development properties at 1 July, at cost:</b>				
Freehold land	112,606	109,215	–	–
Leasehold land	17,776	17,623	–	–
	<b>130,382</b>	<b>126,838</b>	–	–
Development expenditure	245,681	258,605	–	–
	<b>376,063</b>	<b>385,443</b>	–	–
<b>Cost incurred during the year:</b>				
Freehold land	893	3,391	–	–
Leasehold land	15,247	–	10,485	–
Development expenditure	6,442	985	–	–
	<b>22,582</b>	<b>4,376</b>	<b>10,485</b>	–
Less: Sales of freehold land	36	–	–	–
<b>Transfer from/(to) land held for property development (Note 17):</b>				
Leasehold land	–	153	–	–
Development cost	–	(13,909)	–	–
	–	<b>(13,756)</b>	–	–
Development properties at 30 June	<b>398,609</b>	<b>376,063</b>	<b>10,485</b>	–

Development properties comprise land which are in the process of being prepared for development but are not expected to be developed for sale within the next 12 months.

Freehold land amounting to RM64,965,328 (2005: RM64,996,822) is subject to a charge in favour of banks for the term loans referred to in Note 27 to the financial statements.

# Notes to the Financial Statements

## 15 GOODWILL ON CONSOLIDATION

	Group	
	2006 RM'000	2005 RM'000
At 1 July	12,163	12,163
Acquisition of additional interest in a subsidiary (Note 12)	20	–
	<b>12,183</b>	<b>12,163</b>

## 16 INVENTORIES

	Group	
	2006 RM'000	2005 RM'000
Properties held for sale		
– At cost	16,626	2,857
– At net realisable value	37,798	38,052
	<b>54,424</b>	<b>40,909</b>

The title deeds for the completed properties amounting to RM2,580,000 which were transferred from property development costs during the current financial year are subject to a charge in favour of financial institutions for term loans referred to in Note 27 to the financial statements.

## 17 PROPERTY DEVELOPMENT COSTS

	Group	
	2006 RM'000	2005 RM'000
<b>Property development costs, at 1 July:</b>		
Freehold and leasehold land, at cost	19,095	19,248
Development and construction costs	504,830	390,298
Less: Adjustment	(24,669)	(24,669)
Provision for foreseeable losses	(11,632)	(11,632)
	<b>487,624</b>	<b>373,245</b>
<b>Cost incurred during the year:</b>		
Freehold land, at cost	35	–
Development and construction costs	88,998	100,623
	<b>89,033</b>	<b>100,623</b>
<b>Reversal of development costs for completed projects</b>	<b>(72,298)</b>	<b>–</b>

## Notes to the Financial Statements

	Group	
	2006	2005
	RM'000	RM'000
<b>Transfer from/(to) land held for property development (Note 14):</b>		
Leasehold land	–	(153)
Development cost	–	13,909
	–	13,756
<b>Transfer to inventories:</b>		
Freehold land	3,662	–
Development cost	10,527	–
	14,189	–
<b>Costs recognised in income statement:</b>		
At 1 July	311,997	194,553
Recognised during the year (Note 4)	72,802	117,444
Completed projects	(72,298)	–
At 30 June	312,501	311,997
<b>Property development costs, at 30 June</b>	<b>177,669</b>	<b>175,627</b>

Interest expenses included in development expenditure for the year amounted to RM5,534,000 (2005: RM4,435,000).

The adjustment to property development expenditure arose from measurements by the consultants and project managers, of work-in-progress on a project suspended in 1998 which are deemed final by the directors of a subsidiary. A corresponding amount has been adjusted to reduce the provision previously made in respect of these works. The financial statements do not include any adjustment that would arise should these measurements not be finally determined on the basis adopted.

The freehold land amounting to RM2,580,000 which is subject to a charge in favour of banks for the term loans referred to in Note 27 to the financial statements has been transferred to inventories as properties held for resale during the current financial year.

### 18 TRADE RECEIVABLES

	Group	
	2006	2005
	RM'000	RM'000
Trade receivables	23,456	24,911
Accrued billings in respect of property development costs	15,524	36,815
	38,980	61,726
Less: Provision for doubtful debts	(56)	(56)
	38,924	61,670

The Group's normal trade credit term ranges from 30 days to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

# Notes to the Financial Statements

## 19 OTHER RECEIVABLES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Deposits	8,782	7,919	151	147
Prepayments	233	497	81	352
Tax recoverable	3,346	1,328	–	–
Other receivables	3,061	2,409	1,011	1,226
	15,422	12,153	1,243	1,725
Less: Provision for doubtful debts	(90)	(78)	–	(28)
	15,332	12,075	1,243	1,697

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

## 20 AMOUNT DUE FROM SUBSIDIARIES

The amounts due from subsidiaries, which are stated after provision for doubtful debts of RM15,439,700 (2005: RM15,422,700) primarily arose from payments on the subsidiaries' behalf, are unsecured, interest-free and have no fixed terms of repayment.

## 21 HOLDING AND RELATED COMPANIES

The immediate and ultimate holding companies are YTL Corporation Berhad and Yeoh Tiong Lay & Sons Holdings Sdn Bhd respectively, both of which are incorporated in Malaysia. The immediate holding company, YTL Corporation Berhad is listed on the Main Board of Bursa Malaysia Securities Berhad.

Related companies refer to the subsidiaries of YTL Corporation Berhad. The amounts due from/(to) holding and related companies are unsecured, interest free and have no fixed terms of repayment.

An amount of RM47,184,000 (2005: RM122,605,000) due to related companies is trade in nature.

## Notes to the Financial Statements

### 22 FIXED DEPOSITS WITH FINANCIAL INSTITUTIONS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Deposits with licensed banks	56,436	56,563	–	–
Deposits with other licensed financial institutions	39,090	119,452	22,861	100,493
	<b>95,526</b>	<b>176,015</b>	<b>22,861</b>	<b>100,493</b>

Deposits with licensed banks of the Group amounting to RM237,000 (2005: RM474,000) are pledged to a financial institution for a bank guarantee facility granted to a subsidiary, PYP Sendirian Berhad.

The weighted average effective interest rates of deposits at the balance sheet date were as follows:

	Group		Company	
	2006 %	2005 %	2006 %	2005 %
Licensed banks and financial institutions	3.55	2.71	3.55	2.70

The average maturity of deposits as at the end of the financial year range from 10 days to 31 days (2005: 4 days to 307 days).

### 23 CASH AND BANK BALANCES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Redemption account	1,372	1,983	–	–
Cash on hand and at bank	9,032	14,680	148	20
	<b>10,404</b>	<b>16,663</b>	<b>148</b>	<b>20</b>

Redemption account represents the amount deposited pursuant to the agreement in respect of the term loans, as disclosed in Note 27 to the financial statements.

Included in cash on hand and at banks of the Group are amounts of RM7,213,000 (2005: RM11,629,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.

# Notes to the Financial Statements

## 24 PROVISIONS

	Group	
	2006 RM'000	2005 RM'000
At 1 July	14,391	21,463
Additional provision during the year (Note 5)	256	1,031
Utilisation of provision during the year	(2,390)	(8,103)
At 30 June	12,257	14,391

Provisions are in respect of projects undertaken by a subsidiary and are recognised for expected damages claims based on the terms of the applicable sale and purchase agreements.

## 25 TRADE PAYABLES

	Group	
	2006 RM'000	2005 RM'000
Trade payables	2,820	1,740
Progress billings in respect of property development costs	972	368
	3,792	2,108

The normal credit terms granted to the Group range from 30 days to 90 days.

## 26 OTHER PAYABLES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Other payables	18,074	20,066	64	890
Accruals	1,564	4,166	512	475
Property maintenance fund	3,513	3,228	-	-
Deposits payable	27	2	-	-
Provision for losses arising from issue of ICPS-A towards settlement of subsidiaries' debts	140	140	140	140
	23,318	27,602	716	1,505

# Notes to the Financial Statements

## 27 BORROWINGS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>Short Term Borrowings</b>				
Secured:				
Term loans	41,870	20,594	–	–
Hire purchase payables (Note 28)	597	853	346	418
Unsecured:				
Revolving credits	–	3,002	–	–
	<b>42,467</b>	<b>24,449</b>	<b>346</b>	<b>418</b>

### Long Term Borrowings

Secured:				
Term loans	146,543	185,345	–	–
Hire purchase payables (Note 28)	422	795	271	617
	<b>146,965</b>	<b>186,140</b>	<b>271</b>	<b>617</b>

### Total Borrowings

Revolving credits	–	3,002	–	–
Term loans	188,413	205,939	–	–
Hire purchase payables (Note 28)	1,019	1,648	617	1,035
	<b>189,432</b>	<b>210,589</b>	<b>617</b>	<b>1,035</b>

	Group	
	2006 RM'000	2005 RM'000
Maturity of borrowings (excluding hire purchase payables):		
Within one year	41,870	23,596
More than 1 year and less than 2 years	83,739	82,376
More than 2 years and less than 5 years	62,804	102,969
	<b>188,413</b>	<b>208,941</b>

The unsecured revolving credit facility bears interest at 2.5% (2005: 2.5%) per annum above the bank's base lending rate.

The term loan bears interest at 1.25% (2005: 1.25%) per annum above the banks' cost of funds and is secured by a first legal charge on the freehold land of the Sentul Raya Project and a corporate guarantee.

The term loan shall be repaid in 9 equal semi-annual installments.

## Notes to the Financial Statements

### 28 HIRE PURCHASE PAYABLES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>Minimum lease payments:</b>				
Not later than 1 year	635	921	370	461
Later than 1 year and not later than 2 years	399	534	277	370
Later than 2 years	35	297	–	277
	<b>1,069</b>	<b>1,752</b>	<b>647</b>	<b>1,108</b>
Less: Future finance charges	(50)	(104)	(30)	(73)
	<b>1,019</b>	<b>1,648</b>	<b>617</b>	<b>1,035</b>
<b>Present value of hire purchase creditors:</b>				
Not later than 1 year	597	853	346	418
Later than 1 year and not later than 2 years	387	505	271	347
Later than 2 years	35	290	–	270
	<b>1,019</b>	<b>1,648</b>	<b>617</b>	<b>1,035</b>
<b>Analysed as:</b>				
Due within 1 year (Note 27)	597	853	346	418
Due after 1 year (Note 27)	422	795	271	617
	<b>1,019</b>	<b>1,648</b>	<b>617</b>	<b>1,035</b>

### 29 SHARE CAPITAL

	Group/Company			
	2006 Number of shares '000	2006 RM'000	2005 Number of shares '000	2005 RM'000
<b>Authorised:</b>				
Ordinary shares of RM0.50 each				
At 1 July	3,000,000	1,500,000	1,500,000	1,500,000
Subdivision into ordinary shares of RM0.50 each	–	–	1,500,000	–
At 30 June	3,000,000	1,500,000	3,000,000	1,500,000
Irredeemable convertible preference shares ("ICPS-A") of RM0.50 each				
At 1 July	600,000	300,000	300,000	300,000
Subdivision into ICPS-A of RM0.50 each	–	–	300,000	–
At 30 June	600,000	300,000	600,000	300,000



## Notes to the Financial Statements

	Group/Company 2006		2005	
	Number of shares '000	RM'000	Number of shares '000	RM'000
Irredeemable convertible preference shares ("ICPS-B") of RM0.50 each				
At 1 July	1,400,000	700,000	700,000	700,000
Subdivision into ICPS-B of RM0.50 each	–	–	700,000	–
At 30 June	1,400,000	700,000	1,400,000	700,000
<b>Total</b>	<b>5,000,000</b>	<b>2,500,000</b>	<b>5,000,000</b>	<b>2,500,000</b>
<b>Issued and Fully Paid:</b>				
Ordinary shares of RM0.50 each				
At 1 July	344,450	172,225	169,116	169,116
Subdivision into ordinary shares of RM0.50 each	–	–	169,116	–
Conversion of ICPS to ordinary shares	10,798	5,399	6,218	3,109
At 30 June	355,248	177,624	344,450	172,225
Irredeemable convertible preference shares ("ICPS-A") of RM0.50 each				
At 1 July	316,396	158,198	167,735	167,735
Subdivision into ordinary shares of RM0.50 each	–	–	167,735	–
Issued during the year	–	–	5,134	2,567
Conversion of ICPS-A to ordinary shares	(42,112)	(21,056)	(24,208)	(12,104)
At 30 June	274,284	137,142	316,396	158,198
Irredeemable convertible preference shares ("ICPS-B") of RM0.50 each				
At 1 July	560,848	280,424	280,431	280,431
Subdivision into ICPS-B of RM0.50 each	–	–	280,431	–
Conversion of ICPS-B to ordinary shares	–	–	(14)	(7)
At 30 June	560,848	280,424	560,848	280,424
<b>Total</b>	<b>1,190,380</b>	<b>595,190</b>	<b>1,221,694</b>	<b>610,847</b>

During the financial year, the Company issued 10,797,892 new ordinary shares of RM0.50 each upon conversion of 42,111,782 ICPS-A at a conversion ratio of one new ordinary share of RM0.50 each for every 3.90 ICPS-A of RM0.50 each.

The ICPS have no voting rights other than those affecting their rights and privileges. The ICPS rank pari passu with ordinary shares for distribution of dividend but for return of capital, they rank above all shares in issue.

ICPS-A and ICPS-B are convertible into new ordinary shares of RM0.50 each at a conversion ratio of one new ordinary share of RM0.50 each for every 3.90 ICPS-A of RM0.50 each and 1.34 ICPS-B of RM0.50 each respectively on or before 2011 and 2008 respectively.

## Notes to the Financial Statements

### 30 TREASURY SHARES

This amount relates to the acquisition cost of treasury shares net of the proceeds received on their subsequent sale or issuance.

During the financial year, the Company repurchased 100 (2005: 200) of its issued ordinary shares of RM0.50 each from the open market at RM0.81 per share. The total consideration paid for the repurchased including transaction costs was RM81 (2005: RM239). The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

	Group/Company			
	2006		2005	
	Number of shares '000	RM'000	Number of shares '000	RM'000
At 1 July	221	264	110	263
Subdivision into RM0.50 each	–	–	110	–
Shares repurchased	–	–	1	1
At 30 June	221	264	221	264

### 31 LONG TERM LIABILITIES

	Group	
	2006 RM'000	2005 RM'000
Amount due to Keretapi Tanah Melayu Berhad ("KTMB")	69,216	69,216

This represents the balance of the total purchase consideration of not less than RM105,616,000 (2005: RM105,616,000) for the acquisition of the Sentul Raya Development Project Site from KTMB to be settled by way of phased development, construction and completion of the Railway Village by the Company for KTMB at its sole cost and expense in accordance with the provisions of the development agreement between the Company and KTMB. Pursuant to the Supplementary Development Agreement with KTMB dated 21 December 2000, the completion date of the Railway Village was deferred to 31 December 2007.

## Notes to the Financial Statements

### 32 DEFERRED TAX LIABILITIES

	Group	
	2006 RM'000	2005 RM'000
At 1 July	61,268	64,781
Recognised in income statement (Note 9)	(1,907)	(3,513)
At 30 June	59,361	61,268

The components movements of deferred tax liabilities during the financial year are as follows:

	Property, Plant and Equipment RM'000	Revaluation of Development Properties in Subsidiaries RM'000	Total RM'000
At 1 July 2005	167	61,101	61,268
Recognised in income statement (Note 9)	(9)	(1,898)	(1,907)
At 30 June 2006	158	59,203	59,361
At 1 July 2004	167	64,614	64,781
Recognised in income statement (Note 9)	–	(3,513)	(3,513)
At 30 June 2005	167	61,101	61,268

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Unabsorbed tax losses	31,726	68,749	7,406	6,727
Unutilised capital allowances	645	467	359	235
Other deductible temporary differences	257	48	–	–
	32,628	69,264	7,765	6,962

## Notes to the Financial Statements

### 33 CASH AND CASH EQUIVALENTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Fixed deposits with financial institutions (Note 22)	95,526	176,015	22,861	100,493
Cash and bank balances (Note 23)	10,404	16,663	148	20
	<b>105,930</b>	<b>192,678</b>	<b>23,009</b>	<b>100,513</b>

### 34 SIGNIFICANT RELATED PARTY TRANSACTIONS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Provision of construction works by a related company, Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd	65,148	120,663	–	–
Purchase of computer and related equipment from related company, YTL e-Solutions Berhad	208	128	91	1
Provision of air fare services and maintenance of motor vehicle services by a related company, Suri Travel & Tours Sdn Bhd	369	200	20	23
Provision of rental of premises and food and beverages by a related company, Autodome Sdn Bhd	556	166	556	105
Rental of premises and provision of parking services by a related company, YTL Land Sdn Bhd	222	252	218	245
Provision of advertising and promotions and printing services by a related company, Corporate Promotions Sdn Bhd	2,085	802	61	27
Management fees receivable from subsidiaries:				
– Sentul Raya Sdn Bhd	–	–	(300)	–
– Pakatan Perakbina Sdn Bhd	–	–	(150)	–
– Syarikat Kemajuan Perumahan Negara Sdn Bhd	–	–	(150)	–
Commission receivable from a related company, Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd	(1,892)	–	–	–

The directors are of the opinion that the above transactions have been conducted in the normal course of business and are under terms that are not less favourable than those arranged with third parties.

# Notes to the Financial Statements

## 35 COMMITMENTS

### a Capital Commitments

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>Approved and contracted for:</b>				
Investments	100,000	100,000	100,000	100,000

The commitment relates to a put option granted by the Company to Keretapi Tanah Melayu Berhad ("KTMB") for the purchase of KTMB's existing 30% equity interest in a subsidiary at a consideration of RM100 million to be satisfied by the issue of new ordinary shares of RM0.50 each at RM1.95 each by the Company. The put option is exercisable by KTMB within three (3) months after the date of approval by shareholders in the general meeting adopting that subsidiary's audited financial statements for the financial year ending 2007.

### b Non-Cancellable Operating Lease Commitments – Group as Lessee

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>Future minimum rentals payable:</b>				
Not later than 1 year	975	975	975	975
Later than 1 year	637	1,612	637	1,612
	1,612	2,587	1,612	2,587

Operating lease payments represent rentals payable by the Group and the Company for use of premises. Leases are negotiated for an average term of 3 years and rentals are fixed for an average of 3 years.

## 36 CONTINGENT LIABILITIES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<b>Unsecured:</b>				
Guarantees to financial institutions for credit facilities granted to subsidiaries	–	–	262,059	256,500
Claims made by third parties in respect of fees and debts	975	975	975	975

The directors of the Company in consultation with legal opinion are of the view that there are no merits to the claims.

# Notes to the Financial Statements

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## 37 SEGMENT INFORMATION

The Group is principally engaged in property development and property investment, and accordingly the other segments are too insignificant to be disclosed under the requirements of FRS114<sup>2004</sup> – ‘Segment Reporting’.

An analysis by geographical segments has not been presented as the Group operates primarily in Malaysia.

## 38 FINANCIAL INSTRUMENTS

### a Financial Risk Management Objectives and Policies

The Group’s financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group’s businesses whilst managing its interest rate, foreign exchange, liquidity and credit risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group’s policy is not to engage in speculative transactions.

### b Liquidity Risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible instruments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the availability of funding is achieved through committed funding from financial institutions and the Group prudently balances its portfolio with short term funding so as to achieve overall cost effectiveness.

### c Credit Risk

Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group’s associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

### d Interest Rate Risk

The Group’s primary interest rate risk relates to interest-bearing debt; the Group had no substantial long term interest-bearing assets as at 30 June 2006. The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in the respective notes.

## Notes to the Financial Statements

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### e Fair Values

It is not practical to estimate the fair value of the amount due from/(to) holding/subsidiary/related companies due principally to a lack of fixed repayment terms entered by the parties involved and without incurring excessive costs. However, the Company does not anticipate the carrying amount recorded at the balance sheet date to be significantly different from the values that would eventually be settled.

The carrying amounts of the financial liabilities and assets of the Group approximate their fair values, except for the following:

	Group	
	Carrying amount RM'000	Fair value RM'000
<b>Financial Liabilities</b>		
<b>At 30 June 2006:</b>		
Term loan	188,413	168,355
<b>At 30 June 2005:</b>		
Term loan	205,939	197,657

# Notes

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# Form of Proxy

I/We (full name as per NRIC/company name in block capitals)

NRIC/Company No. (new and old NRIC Nos.)

CDS Account No. (for nominee companies only)

of (full address)

being a member of **YTL Land & Development Berhad** hereby appoint (full name as per NRIC in block capitals)

NRIC No. (new and old NRIC Nos.)

of (full address)

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 66th Annual General Meeting of the Company to be held at Starhill 2, Level 4, JW Marriott Hotel Kuala Lumpur, 183 Jalan Bukit Bintang, 55100 Kuala Lumpur on Thursday, 7 December 2006 at 11.00 a.m. and at any adjournment thereof.

My/Our proxy is to vote as indicated below:

NO.	RESOLUTIONS	FOR	AGAINST
1	Receipt of Reports and Audited Financial Statements		
2	Re-election of Dato' Yeoh Seok Kian		
3	Re-election of Dato' Yeoh Seok Hong		
4	Re-election of Dato' Michael Yeoh Sock Siong		
5	Re-election of Tan Sri Datuk Seri Panglima Dr. Abu Hassan Bin Othman		
6	Re-appointment of Eu Peng Meng @ Leslie Eu		
7	Approval of the payment of Directors' fees		
8	Re-appointment of Messrs Ernst & Young as Company Auditors		
9	Authorisation for Directors to Allot and Issue Shares		
10	Proposed Renewal of Share Buy-Back Authority		
11	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2006

Signature of shareholder \_\_\_\_\_

No. of shares held \_\_\_\_\_

Notes:

- A member entitled to attend and vote at the meeting may appoint a proxy to vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member other than an Authorised Nominee shall not be entitled to appoint more than one proxy to attend and vote at the same meeting and where such member appoints more than one proxy to attend and vote at the same meeting, such appointment shall be invalid.
- This form of proxy and the Power of Attorney or other authority (if any) under which it is signed or notarially certified copy thereof must be lodged at the Registered Office, 11th Floor, Yeoh Tiong Lay Plaza, 55 Jalan Bukit Bintang, 55100 Kuala Lumpur not less than 48 hours before the time appointed for the Meeting.
- In the case of a corporation, this proxy should be executed under its Common Seal or under the hand of some officer of the corporation duly authorised in writing on its behalf.
- Unless voting instructions are indicated in the spaces provided above, the proxy may vote as he thinks fit.
- For the purpose of determining a member who shall be entitled to attend the Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 60(2) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 30 November 2006. Only a depositor whose name appears on the General Meeting Record of Depositors as at 30 November 2006 shall be entitled to attend the said meeting or appoint proxy to attend and/or vote in his stead.

**The Company Secretary**

**YTL LAND & DEVELOPMENT BERHAD**

11th Floor

Yeoh Tiong Lay Plaza

55 Jalan Bukit Bintang

55100 Kuala Lumpur

Malaysia

affix stamp here





[www.ytlcommunity.com](http://www.ytlcommunity.com)

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