

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the financial quarter ended 31 December 2005

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.12.2005 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.12.2004 RM'000	CURRENT YEAR TO DATE 31.12.2005 RM'000	PRECEDING YEAR TO DATE 31.12.2004 RM'000
REVENUE	21,751	45,338	55,237	88,429
COST OF SALES	(15,088)	(35,349)	(39,606)	(67,538)
GROSS PROFIT	6,663	9,989	15,631	20,891
OTHER OPERATING PROFIT	2,373	650	4,658	1,465
ADMINISTRATION EXPENSES	(3,790)	(1,915)	(7,711)	(3,952)
OPERATING PROFIT	5,246	8,724	12,578	18,404
FINANCE COSTS	(515)	(17)	(1,028)	(32)
PROFIT BEFORE TAXATION	4,731	8,707	11,550	18,372
TAXATION	(364)	245	(1,607)	(539)
NET PROFIT FOR THE PERIOD	4,367	8,952	9,943	17,833

EARNINGS PER 50 SEN SHARE

Basic (Sen)	1.25	2.63	2.86	5.25
Diluted (Sen)	0.51	1.06	1.17	2.12

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2005

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT 31.12.2005 RM'000	AS AT 30.06.2005 RM'000
PROPERTY, PLANT & EQUIPMENT	34,202	33,706
	-----	-----
INVESTMENT PROPERTIES	85,253	84,525
	-----	-----
LAND & DEVELOPMENT EXPENDITURE	383,886	376,063
	-----	-----
GOODWILL ON CONSOLIDATION	12,163	12,163
	-----	-----
CURRENT ASSETS		
Inventories	40,646	40,909
Property development expenditure	186,106	175,627
Trade receivables	48,796	61,670
Other receivables	14,316	12,075
Amount due from related companies	317	192
Fixed deposits	137,457	176,015
Cash & bank balances	9,580	16,663
	-----	-----
	437,218	483,151
	-----	-----
CURRENT LIABILITIES		
Provisions	12,436	14,391
Trade payables	4,597	2,108
Other payables	29,032	27,602
Hire purchase creditor	733	853
Amount due to holding companies	1	37
Amount due to related companies	91,721	135,114
Short term Borrowings	23,544	23,596
Taxation	534	2,703
	-----	-----
	162,598	206,404
	-----	-----
NET CURRENT ASSETS	274,620	276,747
	-----	-----
	790,124	783,204
	=====	=====

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CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	AS AT 31.12.2005 RM'000	AS AT 30.06.2005 RM'000
SHARE CAPITAL		
Ordinary shares	177,614	172,225
Preference shares	417,605	438,622
RESERVES		
Share premium	97,753	82,125
Treasury share, at cost	(264)	(264)
Accumulated losses	(216,185)	(226,128)
	-----	-----
SHAREHOLDERS' FUNDS	476,523	466,580
	-----	-----
LONG TERM LIABILITIES		
Bank borrowings	183,592	185,345
Trade payable	69,216	69,216
Hire Purchase creditor	772	795
Deferred taxation	60,021	61,268
	-----	-----
	313,601	316,624
	-----	-----
	790,124	783,204
	=====	=====
 Net assets per 50 sen share (RM)	 1.34	 1.36
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2005

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2005**

	6 MONTHS ENDED	
	31.12.2005	31.12.2004
	RM'000	RM'000
Net cash (used in)/generated from operating activities	(36,099)	5,279
	=====	=====
Net cash (used in)/generated from investing activities	(7,276)	587
	=====	=====
Net cash used in financing activities	(2,266)	(880)
	=====	=====
Net (decrease)/increase in cash and cash equivalents	(45,641)	4,986
Cash and cash equivalents at beginning of the year	192,678	77,168
	-----	-----
Cash and cash equivalent at end of the period (note a)	147,037	82,154
	=====	=====

Note (a)

Cash and cash equivalent

	31.12.2005	31.12.2004
	RM'000	RM'000
Cash and bank balances	9,580	5,399
Fixed Deposit	137,457	76,755
	-----	-----
Cash and cash equivalent at end of the period	147,037	82,154
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2005

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2005**

	Share Capital		Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000
	Ordinary Shares RM'000	ICPS RM'000				
6 months ended 31 December 2005						
As at 01 July 2005	172,225	438,622	82,125	(264)	(226,128)	466,580
Conversion of ICPS to Ordinary shares	5,389	(21,017)	15,628	-	-	-
Profit for the period	-	-	-	-	9,943	9,943
	-----	-----	-----	-----	-----	-----
As at 31 December 2005	<u>177,614</u>	<u>417,605</u>	<u>97,753</u>	<u>(264)</u>	<u>(216,185)</u>	<u>476,523</u>
6 months ended 31 December 2004						
As at 01 July 2004 As previously stated	169,116	448,166	73,123	(263)	(254,213)	435,929
Prior year adjustments					(15,119)	(15,119)
	-----	-----	-----	-----	-----	-----
As at 01 July 2004 (Restated)	169,116	448,166	73,123	(263)	(269,332)	420,810
Conversion of ICPS to Ordinary shares	2,189	(8,522)	6,333	-	-	-
Profit for the period	-	-	-	-	17,833	17,833
	-----	-----	-----	-----	-----	-----
As at 31 December 2004	<u>171,305</u>	<u>439,644</u>	<u>79,456</u>	<u>(263)</u>	<u>(251,499)</u>	<u>438,643</u>

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30th June 2005

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Notes :

Disclosure requirement per FRS 134₂₀₀₄ – paragraph 16

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with FRS 134₂₀₀₄ “Interim Financial Reporting” and Chapter 9, part K of the listing Requirements of the Bursa Malaysia Securities Berhad.

The Condensed Financial Statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 30 June 2005.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest audited annual financial statements.

The following notes explain the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2005.

A2. Audit Report of preceding financial year ended 30 June 2005

The Auditors’ Report on the financial statements of the preceding financial year was not subject to any qualification.

A3. Seasonality or Cyclicity of Operations

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

A4. Exceptional or Unusual Items

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A5. Changes in estimates of amounts reported

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

INTERIM FINANCIAL REPORT

Notes : - continued

A6. Changes in Debt and Equity Securities

Save for the following, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter. The outstanding debts are disclosed in Note B9.

During the current financial quarter to date, the share capital of the company increased from RM172,425,029 of RM0.50 each to RM177,614,036 of RM0.50 each at the end of financial quarter ended 31 December 2005 as a result of the conversion of 40,474,260 Irredeemable Convertible Preference Shares - A ("ICPS-A") of RM0.50 each into 10,378,015 new ordinary shares of RM0.50 each based on a conversion ratio of one (1) new ordinary share of RM0.50 each for every 3.90 of ICPS-A of RM0.50 each held.

During the current financial year to date, there were no issuance of ICPS-A and ICPS-B during the current financial quarter. The total number of ICPS-A and ICPS-B outstanding as at 31 December 2005 were 274,360,378 and 560,849,502 of RM0.50 each respectively.

A7. Dividend

There was no dividend paid during the current financial quarter ended 31 December 2005.

A8. Segment Reporting

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

A9. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without any amendments from the last annual financial statements.

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

There is no material event subsequent to the end of the interim period.

INTERIM FINANCIAL REPORT

Notes : - continued

A11. Changes in the Composition of the Group

There is no change in the composition of the Group for the current financial quarter ended 31 December 2005 except for the purchase by wholly owned subsidiary, SR Property Management Sdn Bhd of the remaining 49% interest in Boom Time Strategies Sdn Bhd for a cash consideration of RM19,502 resulting in Boom Time Strategies Sdn Bhd becoming a wholly owned subsidiary of the Group.

A12. Changes in Contingent Liabilities

There was no change in the contingent liabilities of the Group since the last annual balance sheet as at 30 June 2005. The corporate guarantees given to banks for credit facilities granted at the end of current financial quarter are as follows:-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Term Loan	250,000	204,134
Guarantee Facility	6,500	3,002
	-----	-----
	<u>256,500</u>	<u>207,136</u>
	=====	=====

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INTERIM FINANCIAL REPORT

Disclosure requirement per Bursa Malaysia listing requirements Part A of Appendix 9B

B1. Review of Performance

The Group's revenue and profit before taxation for the current financial quarter ended 31 December 2005 decreased to RM55.237 million and RM11.550 million from RM88.429 million and RM18.372 million respectively recorded in the corresponding financial quarter ended 31 December 2004. This represents a decrease of 37.54% and 37.14% in revenue and profit before taxation respectively. The decline was substantially due to lower revenue and profit recognition resulting from the timing of the project launches by certain of its subsidiary companies.

B2. Comparison with Preceding Quarter

	Current Quarter 31.12.2005 RM'000	Preceding Quarter 30.09.2005 RM'000
Revenue	21,751	33,486
Consolidated profit before taxation	4,731	6,819
Consolidated profit after taxation after minority interests	4,367	5,576

The Group's revenue and profit before taxation for the current financial quarter ended 31 December 2005 decreased from RM33.486 million and RM6.819 million to RM21.751 million and RM4.731 million respectively recorded in the preceding financial quarter ended 30 September 2005. This represents a decrease of 35.04% and 30.62% in revenue and profit before taxation respectively. The decrease is mainly attributed to lower revenue and profit recognition resulting from the timing of the project launches by certain of its subsidiary companies.

B3. Prospects

The Group, after considering the current market condition, is expected to achieve satisfactory performance for financial year ending 2006 through the property development activities undertaken by its subsidiary companies.

B4. Profit Forecast

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

INTERIM FINANCIAL REPORT

Notes : continued

B5. Taxation

Tax comprises the following:-

	Current Year Quarter 31.12.2005 RM'000	Current Year To Date 31.12.2005 RM'000
Tax charged for the period	741	2,741
Under/(over) provision in prior year	-	-
Deferred tax	(377)	(1,134)
	-----	-----
	364	1,607
	=====	=====

The tax charged for the Group is lower than the effective tax rate as tax losses brought forward of certain subsidiary companies are sufficient to set-off any tax payable for the current financial quarter ended 31 December 2005 of such subsidiary companies.

B6. Sales of Unquoted Investment and /or Properties

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

B7. Quoted Investment

During the current financial quarter, there was no purchase or disposal of quoted investment.

B8. Corporate Development

On 30 October 2003, the Company announced the proposal for placement of up to 20,000,000 new ordinary shares of RM1.00 each in the Company to Dato' Suleiman bin Abdul Manan, the Director of the Company ("Proposed Placement"). Approval of the Securities Commission was received vide its letter dated 25 February 2004 and approval of shareholders was obtained on 8 June 2004.

On 11th June 2004, the SC has vide its letter dated 8 June 2004, approved the revision to the terms of approval for the Proposed Placement of up to 40,000,000 new ordinary shares of RM0.50 each, as opposed to up to 20,000,000 new ordinary shares of RM1.00 each as approved earlier.

SC has vide its letter dated 30 August 2005, approved the application for extension of time until 23 February 2006 to implement the Proposed Placement. To date steps have not been taken by Dato' Suleiman bin Abdul Manan to subscribe for the said shares. Accordingly, the approval by the SC will lapse on 23 February 2006 and the Proposed Placement cannot be implemented.

INTERIM FINANCIAL REPORT

Notes : continued

B9. Group Borrowings and Debt Securities

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

	Short term RM'000	Long term RM'000	Total RM'000
Secured	20,542	183,592	204,134
Unsecured	3,002	-	3,002
	-----	-----	-----
	23,544	183,592	207,136
	=====	=====	=====

B10. Off Balance Sheet Financial Instruments

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

B11. Material litigation

There are claims made by third parties against Sentul Raya Sdn Bhd but the Directors of the Company are of the opinion that the claims will not materially affect the future position or business of the Group.

B12. Dividend

No dividend has been declared for the current financial quarter.

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INTERIM FINANCIAL REPORT

Notes : continued

B13. Earnings Per Share

i) Basic earnings per share

The basic earnings per share of the Group has been computed by dividing the net profit for the financial quarter by the weighted average number of ordinary share in issue during the financial quarter, excluding treasury shares held by the Company.

	Current Quarter 31.12.2005	Preceding Year Corresponding Quarter 31.12.2004
Net profit for the quarter (RM'000)	4,367	8,952
Weighted average number of ordinary shares of RM0.50 each ('000):-		
Issued at the beginning of the period('000)	344,797	338,502
Issue of ordinary shares during the quarter('000)	5,636	1,998
	<u>350,433</u>	<u>340,500</u>
Basic earnings per 50 sen share (sen)	1.25	2.63

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Notes : continued

B13. Earnings Per Share - continued

ii) Diluted earnings per share

The diluted earnings per share of the Group has been computed by dividing the net profit for the financial quarter by the adjusted weighted average number of ordinary share, assuming full conversion of :-

1. ICPS-A in issue at the beginning of the financial period of 314,834,638 on a conversion of one (1) new ordinary share of RM0.50 each for every RM3.90 nominal value of ICPS-A.
2. ICPS-B in issue at the beginning of the financial period of 560,849,502 on a conversion ratio of one (1) new ordinary share of RM0.50 each for every RM1.34 nominal value.

	Current Quarter 31.12.2005	Preceding Year Corresponding Quarter 31.12.2004
Net profit for the quarter (RM'000)	4,367	8,952
Weighted average number of ordinary shares of RM0.50 each ('000):-		
Weighted average number of Ordinary shares ('000)	350,433	340,500
Assumed full conversion of ICPS-A and ICPS-B('000)	499,671	500,196
Adjusted weighted average of ordinary shares('000)	850,104	840,696
Diluted earnings per 50 sen share (sen)	0.51	1.06

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 23 February 2006