

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the financial year ended 30 June 2007.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.06.2007 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.06.2006 RM'000	CURRENT YEAR TO DATE 30.06.2007 RM'000	PRECEDING YEAR TO DATE 30.06.2006 RM'000
REVENUE	135,455	32,365	223,643	127,911
COST OF SALES	(118,188)	(14,754)	(188,721)	(73,381)
GROSS PROFIT	17,267	17,611	34,922	54,530
OTHER OPERATING INCOME	2,937	7,652	12,847	14,755
OTHER OPERATING EXPENSES	(7,149)	(5,180)	(21,173)	(17,698)
PROFIT FROM OPERATIONS	13,055	20,083	26,596	51,587
FINANCE COSTS	(289)	(317)	(1,197)	(1,633)
PROFIT BEFORE TAXATION	12,766	19,766	25,399	49,954
TAXATION	(455)	(1,232)	(2,018)	(4,060)
PROFIT FOR THE YEAR	12,311	18,534	23,381	45,894
ATTRIBUTABLE TO:				
SHAREHOLDERS	7,673	18,534	18,743	45,894
MINORITY INTEREST	4,638	-	4,638	-
PROFIT FOR THE YEAR	12,311	18,534	23,381	45,894
EARNINGS PER 50 SEN SHARE				
Basic (per 50 sen share)(sen):-				
• Before mandatory conversion of ICPS-A & ICPS-B	1.99	5.22	5.15	13.07
• After mandatory conversion of ICPS-A & ICPS-B	0.92	2.20	2.29	5.46
Diluted (per 50 sen share) (sen)	0.92	2.20	2.29	5.46

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2006

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

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CONDENSED CONSOLIDATED BALANCE SHEETS

	UNAUDITED AS AT 30.06.2007 RM'000	AUDITED AS AT 30.06.2006 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	35,591	34,955
Investment properties	91,263	82,882
Land & development expenditure	399,479	398,609
Goodwill on consolidation	12,183	12,183
	<u>538,516</u>	<u>528,629</u>
CURRENT ASSETS		
Inventories	60,081	54,424
Property development expenditure	117,551	177,669
Trade receivables	84,155	38,924
Other receivables	12,776	15,332
Amount due from related companies	785	717
Fixed deposits	111,530	95,526
Cash & bank balances	10,443	10,404
	<u>397,321</u>	<u>392,996</u>
TOTAL ASSETS	<u><u>935,837</u></u>	<u><u>921,625</u></u>
EQUITY		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
SHARE CAPITAL		
Ordinary shares	195,471	177,624
Preference shares	374,287	417,566
RESERVES		
Share premium	123,214	97,782
Treasury share, at cost	(16,796)	(264)
Accumulated losses	(155,669)	(180,234)
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	<u>520,507</u>	<u>512,474</u>
MINORITY INTEREST	4,638	-
TOTAL EQUITY	<u><u>525,145</u></u>	<u><u>512,474</u></u>

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

	UNAUDITED AS AT 30.06.2007 RM'000	AUDITED AS AT 30.06.2006 RM'000
LIABILITIES		
NON-CURRENT LIABILITIES		
Bank borrowing	204,000	146,543
Long term liabilities	69,216	69,216
Hire purchase creditor	35	422
Deferred taxation	56,975	59,361
	-----	-----
	330,226	275,542
	-----	-----
CURRENT LIABILITIES		
Provisions	10,837	12,257
Trade payables	13,620	3,792
Other payables	15,818	23,318
Hire purchase creditor	483	597
Amount due to holding companies	838	431
Amount due to related companies	37,762	50,718
Short term Borrowings	-	41,870
Provision for taxation	1,108	626
	-----	-----
	80,466	133,609
	-----	-----
TOTAL LIABILITIES	410,692	409,151
	-----	-----
TOTAL EQUITY AND LIABILITIES	935,837	921,625
	=====	=====
 Net assets per 50 sen share (RM)	 1.38	 1.44
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2006

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

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007**

	12 MONTHS ENDED	
	30.06.2007	30.06.2006
	RM'000	RM'000
Net cash generated from/(used in) operating activities	35,357	(43,000)
	=====	=====
Net cash used in investing activities	(17,547)	(20,644)
	=====	=====
Net cash used in financing activities	(1,767)	(23,104)
	=====	=====
Net increase/(decrease) in cash and cash equivalents	16,043	(86,748)
Cash and cash equivalents at beginning of the year	105,930	192,678
	-----	-----
Cash and cash equivalent at end of the year (note a)	121,973	105,930
	=====	=====

Note (a)

Cash and cash equivalent

	30.06.2007	30.06.2006
	RM'000	RM'000
Fixed Deposit	111,530	95,526
Cash and bank balances	10,443	10,404
	-----	-----
Cash and cash equivalent at end of the year	121,973	105,930
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2006

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

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007**

	<----- Attributable to equity holders of the company ----->							
	<---Share Capital--->		<-Non-distributable>					
	Ordinary Shares RM'000	ICPS RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000	Minority Interest RM'000	Grand Total RM'000
12 months ended 30 June 2007								
As at 01 July 2006 - as previously stated	177,624	417,566	97,782	(264)	(180,234)	512,474	-	512,474
Effects of adopting FRS 140					5,822	5,822	-	5,822
Profit for the year	-	-	-	-	18,743	18,743	4,638	23,381
Total recognised income and expenses for the year	-	-	-	-	24,565	24,565	4,638	29,203
Conversion of ICPS to Ordinary shares	17,847	(43,279)	25,432	-	-	-	-	-
Shares repurchased	-	-	-	(16,532)	-	(16,532)	-	(16,532)
As at 30 June 2007	195,471	374,287	123,214	(16,796)	(155,669)	520,507	4,638	525,145
12 months ended 30 June 2006								
As at 01 July 2005	172,225	438,622	82,125	(264)	(226,128)	466,580	-	466,580
Profit for the year	-	-	-	-	45,894	45,894	-	45,894
Total recognised income and expenses for the year	-	-	-	-	45,894	45,894	-	45,894
Conversion of ICPS to Ordinary shares	5,399	(21,056)	15,657	-	-	-	-	-
As at 30 June 2006	177,624	417,566	97,782	(264)	(180,234)	512,474	-	512,474

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30th June 2006

INTERIM FINANCIAL REPORT

Notes :

Disclosure requirement per FRS 134₂₀₀₄ – paragraph 16

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with FRS134₂₀₀₄ “Interim Financial Reporting” (formerly known as MASB 26) and Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad, except for the adoption of the following new/revised Financial Reporting Standards (FRS) effective 1 July 2006 as disclosed below:-

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events After the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

The adoption of the above FRSs does not have significant financial impact on the Group other than the effects of the following FRSs:

(a) FRS 2: Share-based payment

The Company’s holding company, YTL Corporation Berhad (“YTL Corp”), operates an equity-settled, share-based compensation plan (namely the Employee Share Option Scheme (“ESOS”) in relation to YTL Corp shares) for employees of the YTL Corp Group. As the Company is a subsidiary of YTL Corp, the eligible employees of the Company and its subsidiaries participate in the ESOS. Prior to 1 July 2006, no compensation expense was recognised in profit or loss for share options granted. With the adoption of FRS 2, the proportionate compensation expense relating to share options is recognised in profit or loss over the vesting periods of the grants with a corresponding reduction in amount due to holding company. The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by vesting date.

INTERIM FINANCIAL REPORT

Notes : - continued

The fair value of the share option is computed using a binomial model. At every balance sheet date, the Group revises its estimates of the number of share options that are expected to vest by the vesting date. Any revision of this estimate is included in profit or loss and a corresponding adjustment to amount due to holding company over the remaining vesting period.

The financial impact to the Group arising from the retrospective application of FRS 2 is not material and hence, no restatement of retained earning is performed.

For the current period under review, the application of FRS 2 has resulted in a charge of approximately RM382,000 to the income statement of the Group arising from the ESOS granted to employees of the Group.

(b) FRS 140: Investment Property

The adoption of FRS 140 has resulted in a change of accounting policy for investment properties whereby the investment properties are now stated at fair value, representing market value determined by external valuers. The Group has adjusted the gain arising from the revaluation to the opening balance of retained earnings upon the adoption of this standard. Subsequent gains or losses arising from the changes in fair values of investment properties are recognised in profit or loss in the period in which they arise.

With the adoption of FRS 140, a net gain of RM5.822 million has been credited directly to retained earnings.

A2. Audit Report of preceding financial year ended 30 June 2006

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 as disclosed below, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter:

a) Conversion of Irredeemable Convertible Preference Shares

During the current financial quarter to date, the share capital of the company increased from RM189,029,655 of RM0.50 each to RM195,471,256 of RM0.50 each at the end of financial quarter ended 30 June 2007 as a result of the conversion of 50,244,510 Irredeemable Convertible Preference Shares - A ("ICPS-A") of RM0.50 each into 12,883,203 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.

During the current financial quarter to date, there were no additional issuance of ICPS-A and ICPS-B. The total number of ICPS-A and ICPS-B outstanding as at 30 June 2007 were 215,282,836 and 533,290,580 of RM0.50 each respectively.

b) Treasury Shares

During the current financial quarter to date, the Company purchased 10,849,800 of its issued ordinary shares of RM0.50 each from the open market for a total consideration of RM15,212,390.21 at an average price of RM1.4021 per share. The buy back transaction was financed by internally generated funds. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

The outstanding debts are disclosed in Note B9.

A7. Dividend

There was no dividend paid during the current financial quarter ended 30 June 2007.

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INTERIM FINANCIAL REPORT

Notes : - continued

A8. Segment Reporting

The Group's segmental report for the year ended 30 June 2007 is as follows:-

	Construction* RM'000	Property Development RM'000	Total RM'000
Revenue	72,368	151,275	223,643
Results			
Profit from Operations	1,329	25,267	26,596
Finance cost			(1,197)
Profit before taxation			25,399
Taxation			(2,018)
Profit for the period			23,381
Attributable to:			
Shareholders			18,743
Minority interest			4,638
Profit for the period			23,381

* The duration of the construction project is for a period of 30 months.

The Group's segmental report for the year ended 30 June 2006 is as follows:-

	Property Development RM'000	Total RM'000
Revenue	127,911	127,911
Results		
Profit from Operations	51,587	51,587
Finance cost		(1,633)
Profit before taxation		49,954
Taxation		(4,060)
Profit for the period		45,894
Attributable to:		
Shareholders		45,894
Profit for the period		45,894

INTERIM FINANCIAL REPORT

Notes:- continued

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.

A11. Changes in the Composition of the Group

There is no change in the composition of the Group for the current financial quarter ended 30 June 2007.

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 2006. 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	204,000	204,000
Guarantee Facility	48,037	36,587
	-----	-----
	252,037	240,587
	=====	=====

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Disclosure requirement per Bursa Securities' Listing Requirements Part A of Appendix 9B

B1. Review of Performance

The Group revenue for the current financial year ended 30 June 2007 increased to RM223.643 million from RM127.911 million reported in the corresponding financial year ended 30 June 2006, representing an increase of 74.84% in revenue. The profit before taxation for the current financial year ended 30 June 2007 decreased to RM25,399 million from RM49,954 million reported in the corresponding financial year ended 30 June 2006, representing a decrease of 49.16% in profit before taxation. The increase in revenue was mainly contributed by overwhelming sales recorded for The Saffron under the Sentul Raya project and The Centrio under the Pantai Hill Park project and the initial progress recognition of a construction project undertaken by one of its subsidiary company whilst the decline in profit before tax was substantially attributed to lower profit recognised due to one-off costs of one of the projects .

B2. Comparison with Preceding Quarter

	Current Quarter 30.06.2007 RM'000	Preceding Quarter 31.03.2007 RM'000
Revenue	135,455	37,126
Profit before taxation	12,766	5,924
Profit after taxation and minority interest	7,530	5,294

The Group revenue and profit before taxation for the current financial quarter ended 30 June 2007 increased to RM135.455 million and RM12.766 million from RM37.126 million and RM5.924 million respectively reported in the preceding financial quarter ended 31 March 2007, representing an increase of 264.85% and 115.50% in revenue and profit before taxation respectively. This was mainly contributed by higher profit recognised on units sold in The Saffron and The Maple under the Sentul Raya project and the initial progress recognition on units sold in The Centrio under the Pantai Hill Park project and a construction project.

B3. Prospects

The Group, after considering the improved market condition and the recent sales recorded, is expected to achieve satisfactory performance for financial year ending 2008 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 30.06.2007 RM'000	Current Year To Date 30.06.2007 RM'000
Tax charged for the period	2,237	4,308
Deferred tax	(1,782)	(2,290)
	-----	-----
	455	2,018
	=====	=====

The tax charged for the Group is lower than the effective tax rate as tax losses brought forward of a subsidiary company are sufficient to set-off any tax payable for the current financial quarter ended 30 June 2007 of such subsidiary company.

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

There is no corporate proposal announced and pending completion at the date of this report.

B9. Group Borrowings and Debt Securities

The Group's bank borrowing of RM204 million as at end of the current financial period, bears interest at 0.75% per annum above the bank's cost of fund:

	Long term RM'000	Total RM'000
Term loan – Unsecured	204,000	204,000
	=====	=====

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Notes : continued

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

• **Basic/diluted earnings per share**

The basic/diluted 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 shares in issue during the financial quarter, excluding treasury shares held by the Company, assuming full conversion of :-

1. ICPS-A in issue during the financial quarter of 265,527,346 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 during the financial quarter of 533,290,580 on a conversion ratio of one (1) new ordinary share of RM0.50 each for every RM1.34 nominal value.

	Current Quarter 30.06.2007	Preceding Year Corresponding Quarter 30.06.2006
Net profit for the quarter (RM'000)	7,673	18,534
	=====	=====
Weighted average number of ordinary shares of RM0.50 each ('000)	385,340	355,248
Assumed full conversion of ICPS-A and ICPS-B('000)	453,179	488,873
	-----	-----
Adjusted weighted average of ordinary shares('000)	838,519	844,121
	=====	=====
Basic (per 50 sen share)(sen):-		
• Before mandatory conversion of ICPS-A & ICPS-B	1.99	5.22
	=====	=====
• After mandatory conversion of ICPS-A & ICPS-B	0.92	2.20
	=====	=====
Diluted (per 50 sen share) (sen)	0.92	2.20
	=====	=====

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 23 August 2007