

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the financial period ended 31 December 2007.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD	PRECEDING PERIOD	CURRENT PERIOD	PRECEDING PERIOD
	QUARTER 31.12.2007 RM'000	CORRESPONDING QUARTER 31.12.2006 RM'000	TO DATE 31.12.2007 RM'000	TO DATE 31.12.2006 RM'000
REVENUE	89,586	27,053	174,836	51,062
COST OF SALES	(77,035)	(22,115)	(154,359)	(41,102)
GROSS PROFIT	12,551	4,938	20,477	9,960
OTHER OPERATING INCOME	1,387	2,330	2,940	6,700
OTHER OPERATING EXPENSES	(6,035)	(3,731)	(11,406)	(9,345)
PROFIT FROM OPERATIONS	7,903	3,537	12,011	7,315
FINANCE COSTS	(265)	(292)	(546)	(606)
PROFIT BEFORE TAXATION	7,638	3,245	11,465	6,709
TAXATION	(2,010)	(413)	(3,012)	(933)
PROFIT FOR THE PERIOD	5,628	2,832	8,453	5,776
ATTRIBUTABLE TO:				
SHAREHOLDERS	4,345	2,832	6,436	5,776
MINORITY INTEREST	1,283	-	2,017	-
PROFIT FOR THE PERIOD	5,628	2,832	8,453	5,776
EARNINGS PER 50 SEN SHARE				
Basic (per 50 sen share)(sen):-				
• Before mandatory conversion of ICPS-A & ICPS-B	1.14	0.80	1.69	1.63
• After mandatory conversion of ICPS-A & ICPS-B	0.52	0.34	0.78	0.86
Diluted (per 50 sen share) (sen)	0.52	0.34	0.78	0.86

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2007 and the accompanying explanatory notes attached to the interim financial statements

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

	UNAUDITED AS AT 31.12.2007 RM'000	AUDITED AS AT 30.06.2007 (RESTATED) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	35,458	35,461
Investment properties	28,623	28,600
Land & development expenditure	468,715	462,142
Prepaid land lease payment	49	51
Goodwill on consolidation	12,183	12,183
Deferred tax asset	-	710
	<u>545,028</u>	<u>539,147</u>
CURRENT ASSETS		
Inventories	61,833	74,439
Property development expenditure	139,173	118,683
Trade receivables	47,591	83,751
Other receivables	16,055	12,797
Amount due from related companies	10,056	833
Fixed deposits	122,580	111,530
Cash & bank balances	6,801	10,407
	<u>404,089</u>	<u>412,440</u>
TOTAL ASSETS	<u><u>949,117</u></u>	<u><u>951,587</u></u>
EQUITY		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
SHARE CAPITAL		
Ordinary shares	198,916	195,471
Preference shares	360,851	374,287
RESERVES		
Share premium	133,205	123,214
Treasury share, at cost	(21,832)	(16,797)
Accumulated losses	(149,070)	(155,506)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	<u>522,070</u>	<u>520,669</u>
MINORITY INTEREST	6,574	4,557
TOTAL EQUITY	<u><u>528,644</u></u>	<u><u>525,226</u></u>

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

	UNAUDITED AS AT 31.12.2007 RM'000	AUDITED AS AT 30.06.2007 (RESTATED) RM'000
LIABILITIES		
NON-CURRENT LIABILITIES		
Bank borrowings	204,000	204,000
Long term liabilities	69,216	69,216
Hire purchase creditors	58	92
Deferred tax liabilities	57,132	57,866
	-----	-----
	330,406	331,174
	-----	-----
CURRENT LIABILITIES		
Provisions	10,837	10,837
Trade payables	29,451	28,736
Other payables	12,493	13,590
Hire purchase creditors	305	419
Amount due to holding companies	459	746
Amount due to related companies	34,102	40,353
Provision for taxation	2,420	506
	-----	-----
	90,067	95,187
	-----	-----
TOTAL LIABILITIES	420,473	426,361
	-----	-----
TOTAL EQUITY AND LIABILITIES	949,117	951,587
	=====	=====
 Net assets per 50 sen share (RM)	 1.36	 1.38
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2007 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2007**

	6 MONTHS ENDED	
	31.12.2007	31.12.2006
	RM'000	RM'000
Net cash generated from operating activities	18,087	24,554
	=====	=====
Net cash used in investing activities	(5,146)	(12,661)
	=====	=====
Net cash (used in)/generated from financing activities	(5,497)	15,126
	=====	=====
Net increase in cash and cash equivalents	7,444	27,019
Cash and cash equivalents at beginning of the year	121,937	105,930
	-----	-----
Cash and cash equivalent at end of the period (note a)	129,381	132,949
	=====	=====

Note (a)

Cash and cash equivalent

	31.12.2007	31.12.2006
	RM'000	RM'000
Fixed Deposit	122,580	122,616
Cash and bank balances	6,801	10,333
	-----	-----
Cash and cash equivalent at end of the period	129,381	132,949
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2007 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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
6 months ended 31 December 2007								
As at 01 July 2007	195,471	374,287	123,214	(16,797)	(155,506)	520,669	4,557	525,226
Profit for the period	-	-	-	-	6,436	6,436	2,017	8,453
Total recognised income and expenses for the period	-	-	-	-	6,436	6,436	2,017	8,453
Conversion of ICPS to Ordinary shares	3,445	(13,436)	9,991	-	-	-	-	-
Share repurchased	-	-	-	(5,035)	-	(5,035)	-	(5,035)
As at 31 December 2007	198,916	360,851	133,205	(21,832)	(149,070)	522,070	6,574	528,644
6 months ended 31 December 2006								
As at 01 July 2006	177,624	417,566	97,782	(264)	(180,234)	512,474	-	512,474
Profit for the period	-	-	-	-	5,776	5,776	-	5,776
Total recognised income and expenses for the period	-	-	-	-	5,776	5,776	-	5,776
Conversion of ICPS to Ordinary shares	212	(828)	616	-	-	-	-	-
As at 31 December 2006	177,836	416,738	98,398	(264)	(174,458)	518,250	-	518,250

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30th June 2007 and the accompanying explanatory notes attached to the interim financial statements

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Notes :

Disclosure requirement per FRS 134 – paragraph 16

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with FRS134 “Interim Financial Reporting” (formerly known as FRS134₂₀₀₄) and Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), except for the adoption of the following new/revised Financial Reporting Standards (FRS) effective 1 July 2007 which are relevant to the Group’s operations:-

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 117	Leases
FRS 118	Revenue
FRS 124	Related Party Disclosures
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

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

(a) FRS 117: Leases

Prior to 1 July 2007, leasehold land was classified as property, plant and equipments and was stated at cost less accumulated depreciation and impairment losses. Upon the adoption of the revised FRS 117 at 1 July 2007, the unamortised amount of leasehold land is now reclassified as prepaid land lease payment and amortised over the period of its remaining lease term. The reclassification has been accounted for retrospectively and the comparatives in the balance sheet have been restated.

The effects on the comparatives to the Group on adoption of FRS 117 are as follows:

	Previously stated RM’000	Effect of changes RM’000	Restated RM’000
30 June 2007			
Property, plant and equipment	35,512	(51)	35,461
Prepaid land lease payment	-	51	51
	=====	=====	=====

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Notes : - continued

A2. Seasonality or Cyclicity of Operations

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

A3. Exceptional or Unusual Items

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

A4. Changes in estimates of amounts reported

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

A5. 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 financial period ended 31 December 2007, the share capital of the Company increased from RM195,471,256 to RM198,916,426 as a result of the conversion of 26,872,366 Irredeemable Convertible Preference Shares - A ("ICPS-A") of RM0.50 each into 6,890,339 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 31 December 2007 were 18,410,470 and 533,290,580 of RM0.50 each respectively.

b) Treasury Shares

During the current financial quarter, the Company purchased 58,500 of its issued ordinary shares of RM0.50 each from the open market at an average price of RM1.6576 per share. The total share buy-back for the financial period ended 31 December 2007 was 2,385,000 ordinary shares. The total consideration paid, including transaction costs for the share buy-back during the current financial quarter and financial period ended 31 December 2007 was RM96,968.95 and RM5,036,058.16 respectively and 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.

A6. Dividend Paid

There was no dividend paid during the current financial quarter ended 31 December 2007.

INTERIM FINANCIAL REPORT

Notes : - continued

A7. Segment Reporting

The Group's segmental report for the period ended 31 December 2007 is as follows:-

	Construction* RM'000	Property Development RM'000	Total RM'000
Revenue	78,231	96,605	174,836
	-----	-----	-----
Results			
Profit from Operations	1,436	10,575	12,011
	-----	-----	
Finance cost			(546)

Profit before taxation			11,465

Taxation			(3,012)

Profit for the period			8,453
			=====
Attributable to:			
Shareholders			6,436
Minority interest			2,017

Profit for the period			8,453
			=====

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

The Group's segmental report for the period ended 31 December 2006 is as follows:-

	Property Development RM'000	Total RM'000
Revenue	51,062	51,062
	-----	-----
Results		
Profit from Operations	7,315	7,315

Finance cost		(606)

Profit before taxation		6,709

Taxation		(933)

Profit for the period		5,776
		=====
Attributable to:		
Shareholders		5,776

Profit for the period		5,776
		=====

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Notes:- continued

A8. Material Events Subsequent to the end of the interim period

There was no item, transaction or event of a material or unusual nature during the period from the end of the quarter under review to 21 February 2008, except as disclosed below:-

- i) On 5 February 2008, the Company released the announcement that pursuant to the rights and privileges attached to the ICPS-B and in accordance with the provisions of the Articles of Association, the right to convert the ICPS-B will expire on 12 March 2008.

A9. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial period ended 31 December 2007.

A10. 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 2007. The corporate guarantees given to banks for credit facilities granted at the end of the current financial quarter are as follows:-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Term Loan	204,000	204,000
Guarantee Facility	47,978	37,302
	-----	-----
	251,978	241,302
	=====	=====

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

B1. Review of Performance

The Group revenue and profit before taxation for the current financial period ended 31 December 2007 increased to RM174.836 million and RM11.465 million from RM51.062 million and RM6.709 respectively reported in the corresponding financial period ended 31 December 2006, representing an increase of 242.40% and 70.89% in revenue and profit before taxation respectively. The increase in revenue and profit before taxation was mainly contributed by The Centrio under the Pantai Hill Park project undertaken by Syarikat Kemajuan Perumahan Negara Sdn Bhd and The Saffron under the Sentul Raya Project and the progress recognition of a construction project undertaken by Sentul Raya Sdn Bhd.

B2. Comparison with Preceding Quarter

	Current Quarter 31.12.2007 RM'000	Preceding Quarter 30.09.2007 RM'000
Revenue	89,586	85,250
Profit before taxation	7,638	3,827
Profit after taxation and minority interest	4,345	2,091

The Group revenue and profit before taxation for the current financial quarter ended 31 December 2007 increased to RM89.586 million and RM7.638 million from RM85.250 million and RM3.827 million respectively reported in the preceding financial quarter ended 30 September 2007, representing an increase of 5.09% and 99.58% in revenue and profit before taxation respectively. This was mainly contributed by sales of completed units held by certain subsidiaries and initial progress recognition of Phase 4B of Pakatan Jaya Project in Ipoh undertaken by PYP Sdn Bhd.

B3. Audit Report of preceding financial year ended 30 June 2007

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

B4. Prospects

The Group, after considering the market condition, the recent sales recorded and forthcoming new launches of the property projects, is expected to achieve satisfactory performance for financial year ending 2008.

B5. Profit Forecast

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

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Notes : continued

B6. Taxation

Tax comprises the following:-

	Current Period Quarter 31.12.2007 RM'000	Current Year To Date 31.12.2007 RM'000
Tax charged for the period	2,136	2,939
Deferred tax	(126)	73
	-----	-----
	2,010	3,012
	=====	=====

The Group's provision for taxation for the financial period ended 31 December 2007 reflected a higher effective tax rate compared to the statutory tax rate. The marginally higher effective tax rate of 26.27% was largely due to certain non-tax deductible expenses and losses incurred by the Company and certain subsidiaries within the Group.

B7. Sales of Unquoted Investment and /or Properties

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

B8. Quoted Investment

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

B9. Corporate Proposals

There were no corporate proposals announced and pending completion at the date of this report.

B10. 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

B11. Off Balance Sheet Financial Instruments

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

B12. Material litigation

There were 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.

B13. Proposed Dividend

No dividend has been recommended for the current financial quarter.

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Notes : continued

B14. 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 188,410,470 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 of ICPS-B.

	Current Quarter 31.12.2007	Preceding Year Corresponding Quarter 31.12.2006
Net profit for the quarter (RM'000)	4,345	2,832
Weighted average number of ordinary shares of RM0.50 each ('000)	382,740	355,391
Assumed full conversion of ICPS-A and ICPS-B('000)	446,306	488,449
Adjusted weighted average of ordinary shares('000)	829,046	843,840
Basic (per 50 sen share)(sen):-		
• Before mandatory conversion of ICPS-A & ICPS-B	1.14	0.80
• After mandatory conversion of ICPS-A & ICPS-B	0.52	0.34
Diluted (per 50 sen share) (sen)	0.52	0.34

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 22 February 2008