

YTL LAND & DEVELOPMENT BERHAD

Company No. 1116-M
Incorporated in Malaysia

Interim Financial Report
31 March 2010

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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 March 2010.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 31.03.2010 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 31.03.2009 RM'000	CURRENT PERIOD TO DATE 31.03.2010 RM'000	PRECEDING PERIOD TO DATE 31.03.2009 RM'000
REVENUE	27,660	74,742	209,029	197,988
COST OF SALES	(21,141)	(69,787)	(184,464)	(182,123)
GROSS PROFIT	6,519	4,955	24,565	15,865
OTHER OPERATING INCOME	3,955	2,416	11,588	6,035
OTHER OPERATING EXPENSES	(4,908)	(5,170)	(13,931)	(16,281)
PROFIT FROM OPERATIONS	5,566	2,201	22,222	5,619
FINANCE COSTS	(198)	(296)	(605)	(911)
SHARE OF LOSS OF ASSOCIATED COMPANY	(1)	-	(1)	-
PROFIT BEFORE TAXATION	5,367	1,905	21,616	4,708
TAXATION	(1,798)	(1,544)	(6,844)	(2,767)
PROFIT FOR THE PERIOD	3,569	361	14,772	1,941
ATTRIBUTABLE TO:				
SHAREHOLDERS	3,762	427	14,782	2,041
MINORITY INTEREST	(193)	(66)	(10)	(100)
PROFIT FOR THE PERIOD	3,569	361	14,772	1,941
EARNINGS PER 50 SEN SHARE				
Basic (per 50 sen share)(sen):-				
• Before mandatory conversion of ICPSs	0.48	0.05	1.89	0.26
• After mandatory conversion of ICPSs	0.45	0.05	1.79	0.25
Diluted (per 50 sen share) (sen)	0.45	0.05	1.79	0.25

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2009 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	AUDITED
	AS AT	AS AT
	31.03.2010	30.06.2009
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	34,687	35,031
Investment properties	28,623	28,623
Land held for property development	584,409	579,563
Investment in associated company	14,646	-
Prepaid land lease payment	40	43
Goodwill on consolidation	12,183	12,183
Deferred tax assets	4,405	4,458
	<u>678,993</u>	<u>659,901</u>
CURRENT ASSETS		
Inventories	48,327	59,140
Property development expenditure	14,809	40,320
Trade receivables	45,505	61,991
Other receivables	10,771	11,746
Amount due from immediate holding company	-	1
Amount due from related companies	1,426	6,217
Amount due from associated company	10,544	-
Fixed deposits with licensed banks	109,160	111,435
Cash and bank balances	12,647	3,702
	<u>253,189</u>	<u>294,552</u>
TOTAL ASSETS	<u><u>932,182</u></u>	<u><u>954,453</u></u>
EQUITY		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
SHARE CAPITAL		
Ordinary shares	400,335	398,779
Irredeemable Convertible Preference Shares	84,730	90,796
RESERVES		
Share premium	207,907	203,397
Treasury share, at cost	(22,200)	(22,200)
Accumulated losses	(126,796)	(141,578)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	<u>543,976</u>	<u>529,194</u>
MINORITY INTEREST	4,583	4,593
TOTAL EQUITY	<u><u>548,559</u></u>	<u><u>533,787</u></u>

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

	UNAUDITED	AUDITED
	AS AT	AS AT
	31.03.2010	30.06.2009
	RM'000	RM'000
LIABILITIES		
NON-CURRENT LIABILITIES		
Bank borrowing	179,714	179,714
Long term liabilities	67,696	67,696
Hire purchase creditors	182	182
Deferred tax liabilities	46,101	48,954
	-----	-----
	293,693	296,546
	-----	-----
CURRENT LIABILITIES		
Provisions	7,451	10,633
Trade payables	9,776	9,396
Other payables	9,576	18,778
Bank borrowing	14,286	14,286
Hire purchase creditors	48	233
Amount due to holding companies	498	552
Amount due to related companies	40,357	67,849
Current tax payables	7,938	2,393
	-----	-----
	89,930	124,120
	-----	-----
TOTAL LIABILITIES	383,623	420,666
	-----	-----
TOTAL EQUITY AND LIABILITIES	932,182	954,453
	=====	=====
 Net assets per 50 sen share (RM)	 0.69	 0.68
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2009 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 MARCH 2010**

	9 MONTHS ENDED	
	31.03.2010	31.03.2009
	RM'000	RM'000
Net cash generated from operating activities	25,017	153
	=====	=====
Net cash (used in)/generated from investing activities	(18,162)	2,271
	=====	=====
Net cash used in financing activities	(185)	(184)
	=====	=====
Net increase in cash and cash equivalents	6,670	2,240
Cash and cash equivalents at beginning of the year	115,137	115,978
	-----	-----
Cash and cash equivalent at end of the period (note a)	121,807	118,218
	=====	=====

Note (a)

Cash and cash equivalent

	31.03.2010	31.03.2009
	RM'000	RM'000
Fixed deposits with licensed banks	109,160	112,291
Cash and bank balances	12,647	5,927
	-----	-----
Cash and cash equivalent at end of the period	121,807	118,218
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2009 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 MARCH 2010**

	<----- Attributable to equity holders of the company ----->							
	<----Share Capital---->							
	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
9 months ended 31 March 2010								
As at 01 July 2009	398,779	90,796	203,397	(22,200)	(141,578)	529,194	4,593	533,787
Profit for the period	-	-	-	-	14,782	14,782	(10)	14,772
Total recognised income and expenses for the period	-	-	-	-	14,782	14,782	(10)	14,772
Conversion of ICPS to Ordinary shares	1,556	(6,066)	4,510	-	-	-	-	-
As at 31 March 2010	400,335	84,730	207,907	(22,200)	(126,796)	543,976	4,583	548,559
9 months ended 31 March 2009								
As at 01 July 2008	398,279	92,747	201,946	(22,200)	(145,184)	525,588	7,399	532,987
Profit for the period	-	-	-	-	2,041	2,041	(100)	1,941
Total recognised income and expenses for the period	-	-	-	-	2,041	2,041	(100)	1,941
Conversion of ICPS to Ordinary shares	408	(1,590)	1,182	-	-	-	-	-
As at 31 March 2009	398,687	91,157	203,128	(22,200)	(143,143)	527,629	7,299	534,928

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30th June 2009 and the accompanying explanatory notes attached to the interim financial statements

INTERIM FINANCIAL REPORT

Notes :

Disclosure requirement per FRS 134 – paragraph 16

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and Chapter 9, part K of the Listing Requirements of 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 2009.

The accounting policies and methods of computation adopted by the Group in the interim financial report are consistent with those adopted for the annual audited financial statements for the year ended 30 June 2009, except for the adoption of FRS 8, Operating Segments and early adoption of Amendments to FRS 8, Operating Segments effective from the financial period beginning 1 July 2009.

Comparative segment information has been re-presented. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no financial impact on the Group.

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 2009.

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 in estimates of amounts reported in prior interim period or financial year that have had material effects in the current quarter and financial year to-date results.

INTERIM FINANCIAL REPORT

Notes : - continued

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:

During the financial quarter, the share capital of the Company increased from RM400,121,907 to RM400,334,983 as a result of the conversion of 1,661,991 Irredeemable Convertible Preference Shares ("ICPS") of RM0.50 each into 426,151 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 of RM0.50 each.

During the current financial year to date, a total of 3,110,240 new ordinary shares of RM0.50 each were issued as a result of the conversion of 12,129,957 ICPS.

The total number of ICPS outstanding as at 31 March 2010 was 169,459,995 of RM0.50 each.

The outstanding debts are disclosed in Note B9.

A6. Dividend Paid

There was no dividend paid during the current financial quarter ended 31 March 2010.

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INTERIM FINANCIAL REPORT

Notes : - continued

A7. Segment Reporting

The Group's segmental report for the period ended 31 March 2010 is as follows:-

	Construction* RM'000	Property Development RM'000	Total RM'000
External revenue	66,941	142,088	209,029
	-----	-----	-----
Segment results			
Profit from Operations	1,229	20,993	22,222
	-----	-----	
Reconciliation of segment profits to profit before taxation			
Finance cost			(605)

			21,617
Share of loss of associated company			(1)

Profit before taxation			21,616
			=====

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

The Group's segmental report for the period ended 31 March 2009 is as follows:-

	Construction* RM'000	Property Development RM'000	Total RM'000
External revenue	133,751	64,237	197,988
	-----	-----	-----
Segment results			
Profit from Operations	2,456	3,163	5,619
	-----	-----	
Reconciliation of segment profits to consolidated profit before taxation			
Finance cost			(911)

			4,708
Share of loss of associated company			-

Profit before taxation			4,708
			=====

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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 in nature subsequent to the end of the interim period.

A9. Changes in the Composition of the Group

Save for the following, there were no changes in the composition of the Group for the current financial period ended 31 March 2010:-

On 17 December 2009, the Company entered into a Share Sale Agreement with YTL Hotels & Properties Sdn Bhd for the acquisition of 13,348,451 ordinary shares of RM1.00 each representing 50% of the issued and paid up share capital of PDC Heritage Hotel Sdn Bhd ("PDCHH") for a purchase consideration of RM14,646,585. The acquisition was completed on 19 January 2010 and PDCHH became an associated company of the Company.

PDCHH was incorporated on 17 October 1995 and presently has an authorised and issued paid-up share capital of RM30,000,000 and RM26,696,902 respectively. PDCHH is principally involved in property development.

A10. Changes in Contingent Liabilities

There was no material change in the contingent liabilities of the Group since the last annual balance sheet as at 30 June 2009. 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	194,000
Guarantee Facility	55,182	45,684
	-----	-----
	259,182	239,684
	=====	=====

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

B1. Review of Performance

The Group revenue for the current financial quarter ended 31 March 2010 decreased to RM27.660 million from RM74.742 million reported in the corresponding financial quarter ended 31 March 2009 representing a decrease of 62.9% whilst, profit before taxation for the current financial quarter ended 31 March 2010 increased to RM5.368 million, an increase of 181.7% over RM1.905 million reported in the corresponding financial quarter ended 31 March 2009.

The decline in revenue was mainly due to lower progress recognition from both property development and construction segments whilst the increase in profit before taxation was mainly contributed by The D6 under the Sentul Raya project and The Centrio under the Pantai Hill Park project, and higher operating income receivable during the quarter under review.

B2. Comparison with Preceding Quarter

	Current Quarter 31.03.2010 RM'000	Preceding Quarter 31.12.2009 RM'000
Revenue	27,660	84,214
Profit before taxation	5,367	6,484
Profit after taxation and minority interest	3,762	3,708

The Group revenue and profit before taxation for the current financial quarter ended 31 March 2010 decreased to RM27.660 million and RM5.367 million from RM84.214 million and RM6.484 million respectively reported in the preceding financial quarter ended 31 December 2009, representing a decrease of 67.15% and 17.20% in revenue and profit before taxation respectively. This was mainly contributed by lower progress recognition in revenue and profits from both property development and construction segments of the Group.

B3. Audit Report of preceding financial year ended 30 June 2009

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

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Notes : continued

B4. Prospects

The Group is expected to achieve satisfactory performance for the financial year ending 2010 through the property development activities undertaken by its subsidiary companies.

B5. Profit Forecast

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

B6. Taxation

Tax comprises the following:-

	Current Period Quarter 31.03.2010 RM'000	Current Year To Date 31.03.2010 RM'000
Tax charged for the period	1,943	9,491
(Over)/under provision of taxation in prior year	(6)	206
Deferred tax	(139)	(2,853)
	-----	-----
	1,798	6,844
	=====	=====

The Group provision for taxation for the financial period ended 31 March 2010 reflected a higher effective tax rate compared to the statutory tax rate, mainly due to non tax deductibility of certain expenses and losses incurred by the Company and certain subsidiaries.

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.

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Notes : continued

B9. Corporate Development

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

B10. Group Borrowings and Debt Securities

The Group's bank borrowing of RM194 million as at end of the current financial period, bears interest at 0.75% per annum above the bank's cost of fund:

	Short tem RM'000	Long term RM'000	Total RM'000
Term loan – Unsecured	14,286	179,714	194,000

B11. Off Balance Sheet Financial Instruments

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

B12. 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.

B13. Dividend

No dividend has been declared 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 169,459,995 ICPS at a conversion of one (1) new ordinary share of RM0.50 each for every RM3.90 nominal value of ICPS of 50 sen nominal value.

	Current Quarter 31.03.2010	Preceding Year Corresponding Quarter 31.03.2009
Net profit for the quarter (RM'000)	3,762 =====	427 =====
Weighted average number of ordinary shares of RM0.50 each ('000)	783,843	782,060
Assumed full conversion of ICPSs ('000)	43,451 -----	46,747 -----
Adjusted weighted average of ordinary shares ('000)	827,294 =====	828,807 =====
Basic (per 50 sen share)(sen):-		
• Before mandatory conversion of ICPSs	0.48 =====	0.05 =====
• After mandatory conversion of ICPSs	0.45 =====	0.05 =====
Diluted (per 50 sen share) (sen)	0.45 =====	0.05 =====

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 27 May 2010