YTL
POWER
INTERNATIONAL
BERHAD 406684-H

the journey continues...

YTL BEYOND 60

annual report 2015




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CORPORATE REVIEW

FINANCIAL STATEMENTS

YTL POWER

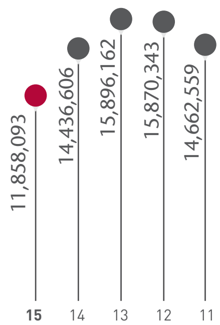
YTL
POWER
INTERNATIONAL
BERHAD (406684-H)

Financial Highlights

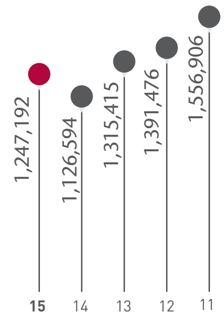
	2015	2014	2013 (restated)	2012 (restated)	2011
Revenue (RM'000)	**11,858,093**	14,436,606	15,896,162	15,870,343	14,662,559
Profit Before Taxation (RM'000)	**1,247,192**	1,126,594	1,315,415	1,391,476	1,556,906
Profit After Taxation (RM'000)	**920,398**	1,208,747	1,029,883	1,156,961	1,247,462
Profit for the Year Attributable to Owners of the Parent (RM'000)	**918,812**	1,202,414	1,054,770	1,232,211	1,364,168
Total Equity Attributable to Owners of the Parent (RM'000)	**11,393,687**	10,439,494	9,809,073	8,981,768	8,335,475
Earnings per Share (Sen)	**13.20**	18.30	14.54	16.99	18.93
Dividend per Share (Sen)	**10.00**	–	1.88	5.64	9.39
Total Assets (RM'000)	**43,637,810**	40,085,106	38,910,167	38,946,755	35,245,784
Net Assets per Share (RM)	**1.62**	1.54	1.38	1.24	1.15

Financial Highlights

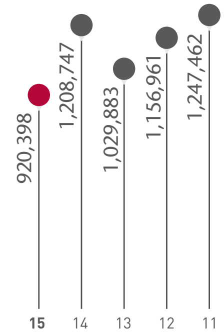
Revenue
(RM'000)



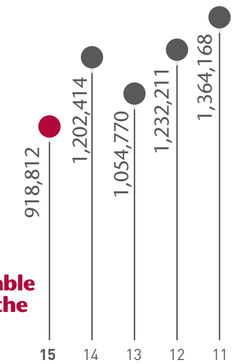
Profit Before Taxation
(RM'000)



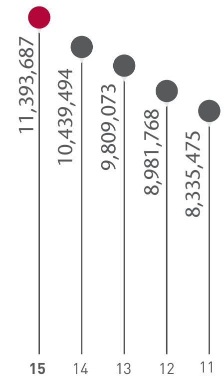
Profit After Taxation
(RM'000)



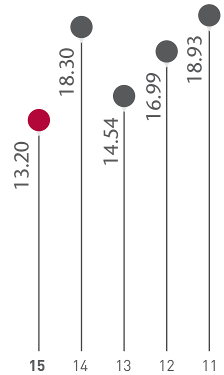
Profit for the Year Attributable to Owners of the Parent
(RM'000)



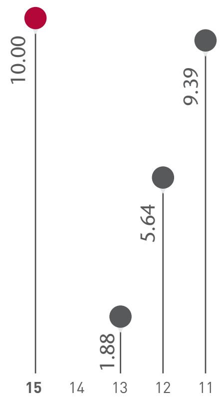
Total Equity Attributable to Owners of the Parent
(RM'000)



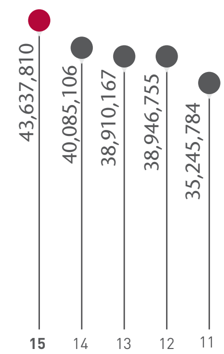
Earnings per Share
(Sen)



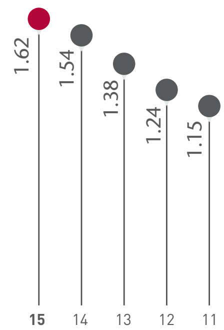
Dividend per Share
(Sen)



Total Assets
(RM'000)



Net Assets per Share
(RM)



Chairman's Statement

ON BEHALF OF THE BOARD OF DIRECTORS OF YTL POWER INTERNATIONAL BERHAD ("YTL POWER" OR THE "COMPANY"), I HAVE THE PLEASURE OF PRESENTING TO YOU THE ANNUAL REPORT AND THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES (THE "GROUP") FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015.

TAN SRI DATO' SERI (DR)
YEOH TIONG LAY
Executive Chairman

OVERVIEW

YTL Power's performance for the 2015 financial year remained resilient despite fairly challenging conditions, particularly in the merchant multi-utilities division, which remains the Group's largest segment. Ongoing excess generation capacity in Singapore's electricity market coupled with lower vesting volumes continued to add pressure to both margins and sales volumes, although this was partially offset by better performance in the Group's water and sewerage division and bolstered by the strengthening of the British Pound against the Malaysian Ringgit.

In the contracted power generation division, the power purchase agreement under YTL Power Generation Sdn Bhd was successfully completed in September 2015, and the Group is in discussions to supply power from its existing Paka Power Station under the short term capacity bid called by the Malaysian Energy Commission. Discussions on the terms are currently ongoing and upon completion, a new power purchase agreement is expected to be signed for the period from March 2016 to December 2018.

Chairman's Statement

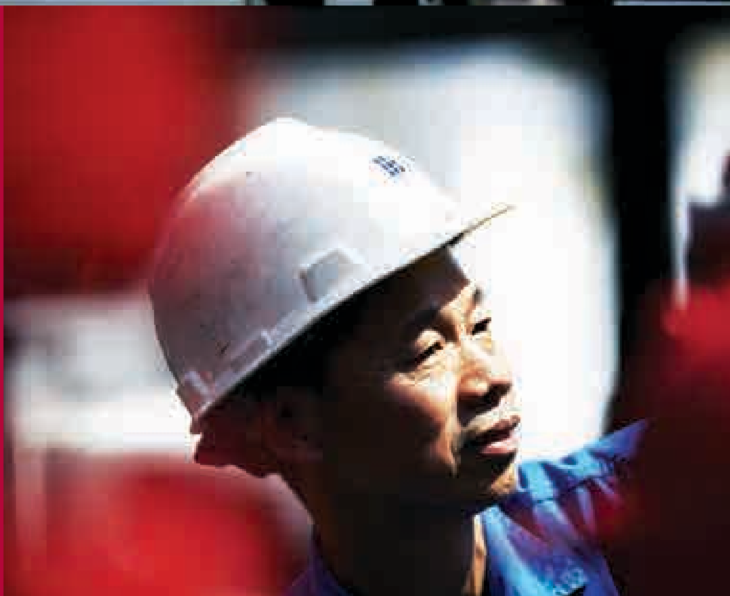
In August 2015, the Group acquired an 80% stake in PT Tanjung Jati Power Company, an independent power producer undertaking the development of Tanjung Jati A, a 2 x 660 megawatt (MW) coal-fired power project in Java, Indonesia. The project is part of the Indonesian government's drive to build new power plants with a total generating capacity of up to 35,000 MW over the next five years to meet the country's escalating energy needs.

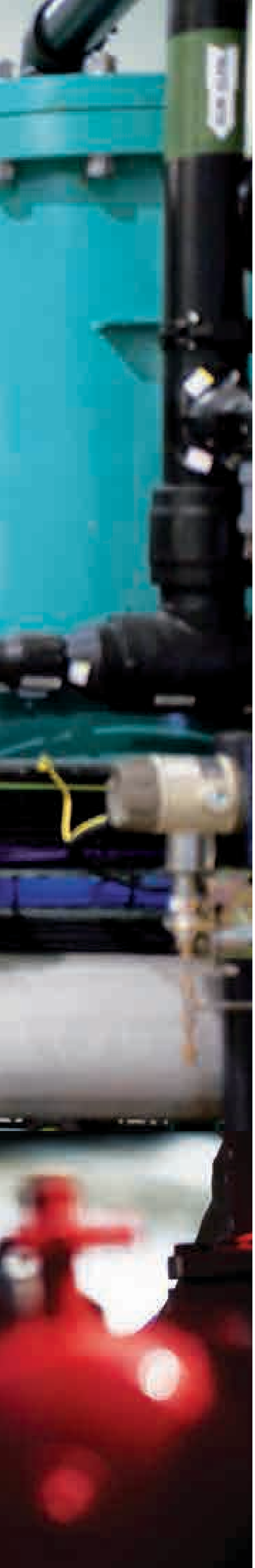
The Malaysian economy grew at a stronger pace, registering gross domestic product (GDP) growth of 6.0% for the 2014 calendar year, compared to 4.7% in 2013, driven primarily by domestic demand and supported by an improvement in external trade performance. The economy recorded steady growth of 5.6% for the first quarter of the 2015 calendar year, prior to the implementation of the new Goods and Services Tax (GST) regime on 1 April 2015, moderating to 4.9% in the second quarter. Meanwhile, in other major economies where the Group operates, the United Kingdom registered growth of approximately 2.6% during 2014, with the first and second quarters of the 2015 calendar year showing growth of 0.3% and 0.7%, respectively. Singapore's economy grew 2.9% in 2014, with growth of approximately 2.8% for the first quarter of the 2015 calendar year, and estimated at 1.7% for the second quarter *(sources: Ministry of Finance Malaysia, Bank Negara Malaysia, Singapore Ministry of Trade & Industry, United Kingdom Office for National Statistics updates & reports).*

FINANCIAL PERFORMANCE

The Group registered revenue of RM11,858.1 million for the financial year ended 30 June 2015 compared to RM14,436.6 million for the previous financial year ended 30 June 2014. Profit before taxation increased by 10.7% to RM1,247.2 million this year over RM1,126.6 million last year, whilst profit for the financial year stood at RM920.4 million this year compared to RM1,208.7 million last year.

The decrease in revenue was principally attributable to lower units of electricity sold and electricity prices as a result of a decrease in fuel oil prices in the multi-utilities segment, as well as lower generation of electricity sales and a higher depreciation charge in the contracted power generation segment.





Chairman's Statement

The decline in profit for the financial year was due to lower vesting non-fuel margins and volumes, coupled with decreasing margins from retail contracts. This offset better performance in the water and sewerage segment which resulted from lower operating costs and the weakening of the Malaysian Ringgit against the British Pound. The mobile broadband division also saw improvement in loss before taxation due mainly to lower operating costs.

Dividends

In line with the Group's policy of creating value for shareholders through a sustainable dividend policy, YTL Power declared an interim dividend of 20% or 10 sen per ordinary share of 50 sen each in respect of the financial year ended 30 June 2015. Therefore, the Board of Directors of YTL Power did not recommend a final dividend for the financial year under review.

This is the 18th consecutive year that the Company has declared dividends since listing on the Main Market of Bursa Malaysia Securities Berhad in 1997 as it endeavours to deliver dividend yields that are higher than prevailing interest rates.

SIGNIFICANT CORPORATE DEVELOPMENTS

On 15 July 2015, the Company announced that YTL Jawa Energy BV ("Jawa Energy"), a wholly-owned subsidiary of YTL Power, had entered into a Share Purchase Agreement ("SPA") for the acquisition of an 80% stake in PT Tanjung Jati Power Company ("TJPC") for an aggregate consideration of USD2.0 million in cash. TJPC is an independent power producer undertaking the development of Tanjung Jati A, a 2 x 660 MW coal-fired power project in Java, Indonesia.

TJPC was incorporated in Indonesia in 1997 to undertake the development of the 2 x 660 MW Tanjung Jati A power project and entered into a Power Purchase Agreement ("PPA") on 2 April 1997 with PT PLN (Persero) ("PLN") for the purchase of power generated from the project. On 18 December 2014, TJPC and PLN entered into an agreement for the purpose of reviving the project and establishing the process for the parties to re-negotiate the original PPA, which included the requirement for TJPC to identify new equity sponsors for the project.

Following discussions with the sellers, Jawa Energy entered into the SPA to acquire its 80% stake in TJPC, comprising 750,000 shares acquired from PT Bakrie Power and 1,250,000 shares acquired from TJA Power Corporation (Asia) Ltd. The acquisition was completed on 20 August 2015.

The remaining 20% stake in Tanjung Jati is held by PT Bakrie Power which is part of the Bakrie Group, one of Indonesia's largest conglomerates, with diversified interests across various industries including mining, oil and gas, property development, infrastructure, plantations, media and telecommunications.

Given the opportunities afforded by the country's expanding energy requirements and future development goals, Indonesia remains one of the most compelling growth markets in this region for YTL Power's multi-utility businesses, and the Group will be able to leverage its capabilities and experience in Indonesia's power sector to develop this vital power asset.

REVIEW OF OPERATIONS

Power Generation, Merchant Multi-Utilities & Power Transmission

The Group's power generation, merchant multi-utilities and power transmission businesses are carried out by its wholly-owned subsidiaries in Malaysia and Singapore, and associates in Indonesia and Australia.

Operations in Malaysia

YTL Power Generation Sdn Bhd ("YTLPG"), a wholly-owned subsidiary of YTL Power, is the owner of the Group's two combined-cycle, gas-fired power stations. Located in Paka, Terengganu, and Pasir Gudang, Johor, the stations have a total generating capacity of 1,212 MW – 808 MW at Paka Power Station and 404 MW at Pasir Gudang Power Station. The Group had a 21-year power purchase agreement with Tenaga Nasional Berhad, whilst operation and maintenance (O&M) for the Paka and Pasir Gudang power stations was undertaken by YTL Power Services Sdn Bhd, a wholly-owned subsidiary of YTL Power's parent company, YTL Corporation Berhad.

Overall plant availability remained good during the year under review with 97.07% at Paka Power Station and 94.82% at Pasir Gudang Power Station.

Chairman's Statement

YTLPG's power purchase agreement was successfully completed on 30 September 2015. YTLPG has also been selected as a successful bidder for supply of power from its Paka Power Station under the short term capacity bid called by the Malaysian Energy Commission. Discussions on the terms and conditions are currently ongoing and, upon completion, a new power purchase agreement is expected to be signed for the period from 1 March 2016 to 31 December 2018.

Operations in Singapore

The Group has a 100% stake in YTL PowerSeraya Pte Limited ("YTL PowerSeraya") in Singapore, which owns 3,100 MW of installed capacity comprising steam turbine plants, combined-cycle plants and co-generation combined-cycle plants.

For the financial year under review, YTL PowerSeraya sold 8,457 gigawatt hours (GWh) of electricity and captured a total generation market share of 18.0%, compared to 20.5% last year. The drop was largely due to strong competition arising from the commercial operations of new plants in Singapore's power generation market.

In a move to ensure safe and reliable operations of its four combined-cycle gas plant units, two remaining major inspections were carried out, including upgrades, in the last fiscal year, following the inspections carried out last year on the initial two units. The efficiency of the inspection resulted in one block being re-commissioned and returned to commercial operation in just 19 days, which was faster than the targeted schedule of 25 days, and increased the gas plant availability factor by 0.4% against its target.

Re-certifications achieved during the year under review included ISO9001, ISO14001, OHSAS18001 and ISO27001, all of which highlight the high standards maintained in quality, environmental, health and safety as well as cyber security management systems, respectively.

In the contestable retail electricity sector, the division's market share decreased to 20.5% for the year under review, as compared to 24.3% last year, due mainly to increased competition in the Singapore market. Correspondingly, sales volumes reached 6,330 GWh for the year ended 30 June 2015.

Despite the challenges faced, the division turned in a resilient performance, successfully reaching out to more than 15,000 newly eligible companies, and increased its portfolio of Small and Medium Enterprise (SME) customers by over 50% for the year under review. At the same time, customer touch-point processes were further enhanced to ensure that the large number of new customers had a seamless onboard experience.

As the retail electricity sector is expected to remain challenging, the division remains focused on creating more value for customers. YTL PowerSeraya has also obtained a Gas Retail License which presents new opportunities to reach out to customers who utilise natural gas for their operations. By continuously seeking to engage its customers and help them to manage their energy costs, the division believes it will eventually become the 'retailer of choice' for more contestable consumers.

The Group's trading and fuel management arm completed its asset development plans on schedule in January 2015. Commercial operations picked up speed with its upgraded jetty facilities to accommodate various vessels and oil tankers, while new additional fuel oil storage tanks were leased to customers to meet their storage needs. Commercial operations in the oil terminal and oil storage business will be central to maintaining the division's growth in the dynamic fuel oil and related services environment. Subject to customer demand, there are also plans to boost the current storage capacity of 870,000 cubic meters in the near future.

To lay a future talent pipeline for the company and the industry, YTL PowerSeraya continued its support for scholarships under the Singapore Industry Scholarship (SgIS) and the Energy Industry Scholarship (EIS). In addition to conducting plant visits and talks for students and lecturers, new internship opportunities for junior college students have been added to existing internship tie-ups with polytechnics and universities.

Creating an inclusive workplace where every member of the team is valued and respected remains a key priority. YTL PowerSeraya's efforts in promoting and sustaining a comprehensive workplace health programme were duly recognised with its first Gold award win in the 2015 Singapore HEALTH Awards organised by the country's Health Promotion Board.

Operations in Indonesia

YTL Power has an effective interest of 20% in PT Jawa Power ("Jawa Power") in Indonesia, which owns a 1,220 MW coal-fired thermal power station located at the Paiton Power Generation Complex in Java. The plant supplies power to Indonesia's national utility company, PLN, under a 30-year power purchase agreement. O&M for Jawa Power is carried out by PT YTL Jawa Timur, a wholly-owned subsidiary of YTL Power, under a 30-year agreement.

Jawa Power achieved average availability of 90.67% for its financial year ended 31 December 2014 and 93.59% availability for the six months ended 30 June 2015. The station generated 8,434 GWh of electricity for its financial year compared to 8,062 GWh for its previous financial year, for its sole offtaker, PLN.

Operations in Australia

The Group has a 33.5% investment in ElectraNet Pty Ltd ("ElectraNet") in Australia, which is a regulated transmission network service provider in Australia's National Electricity Market ("NEM"). ElectraNet owns South Australia's high voltage electricity transmission network, which transports electricity from electricity generators to receiving end-users across the state.

The company is regulated by the Australian Energy Regulator which sets revenue caps based on the company's expected capital expenditure requirements for a five-year regulatory period. The current revenue cap became effective on 1 July 2013 and is valid for a period of five years until 30 June 2018.

ElectraNet's network covers approximately 200,000 square kilometres of South Australia via more than 5,700 circuit kilometres of transmission lines and 88 high voltage substations. The company also provides the important network link from South Australia to the NEM via two regulated interconnectors, one of which is owned by ElectraNet.

Chairman's Statement

WATER & SEWERAGE SERVICES

The Group's water and sewerage operations are carried out by its wholly-owned subsidiary, Wessex Water Limited, and its subsidiaries ("Wessex Water") in the United Kingdom. Wessex Water supplies water to 1.3 million customers per day and takes away sewage from 2.7 million customers daily, operating across an area of 10,000 square kilometres in the southwest of England.

Wessex Water's regulatory year, which ended on 31 March 2015, was the last in the five-year regulatory control period that began on 1 April 2010. Wessex Water's regulator is the Water Services Regulation Authority, known as Ofwat, the economic regulator of the water sector in England and Wales. The 5-year regulatory period was the most challenging since Wessex Water was privatised just over 25 years ago, driven by both the economic climate and the growing impact of the changing physical climate.

Through careful planning, innovative approaches and greater use of in-house resources, Wessex Water delivered its largest ever investment programme and met all regulatory outputs, which included major customer-focused programmes to reduce leakage and sewage flooding. The overall investment programme was delivered under budget and the efficiency savings shared between customers and investors.

Wessex Water is now more than halfway through the construction of its integrated water supply grid, which will improve resilience of supplies to customers and deliver improvements in the water environment. As part of this project, an innovative system has been developed to optimise the supply of water across the region, so as to minimise future operating costs. The integrated water supply grid project is on track for completion in 2018.

Innovation is a key element of this investment programme and the division uses industry-leading no-dig techniques to replace and renew below-ground assets, thereby minimising the impact on customers and communities. Many new ideas come from Wessex Water's own employees and these are supplemented by trials of new technologies and a joint research programme with the University of Bath, where the company has developed a centre for water research and innovation based at the university.

Drinking water compliance was 99.97% and sewage treatment compliance was 99.70% for the regulatory year. Although the varying weather patterns caused problems, Wessex Water achieved a reduction in the total number of pollution incidents and halved the number of serious incidents.

The division has focused on understanding customers' changing needs and responding to the pressures that many have been under as a result of recessionary effects being experienced across the country. Average bills were frozen in real terms for the last regulatory period and reduced by 5% from 1 April 2015. Wessex Water also provides tailored assistance programmes for customers who struggle to pay their bills, with more than 18,000 customers now benefiting from these social tariffs or restart programmes.

Nevertheless, service standards have remained high, and it has now been 38 years since any restrictions on water use were last imposed in the Wessex Water supply area. The division has also maintained the highest levels of environmental and quality compliance, continued to invest in creating greater resilience to climate change and supported economic growth across its operating region. Wessex Water continued to deliver first-class customer service, with very high levels of customer satisfaction, topping the industry's customer service league tables for water and sewerage companies for the seventh consecutive year.

COMMUNICATIONS

The Group's communications operations in Malaysia are carried out by YTL Communications Sdn Bhd ("YTL Comms"), a 60% subsidiary of YTL Power, which has approval from the Malaysian Communications and Multimedia Commission to operate a 2.3 gigahertz (GHz) wireless broadband network in Malaysia. YTL Comms' Yes network is a global frontrunner in mobile 4G and is the first mobile operator in the world to bring mobile Internet and voice together in one simple converged offering.

With its robust 4G network as the backbone and 85% population coverage nationwide including Sabah, YTL Comms remains committed to offering its customers value-for-money Internet services, mobile rates and device bundle plans. YTL Comms has also been awarded 80 megahertz (MHz) of the 4G spectrum which will enable it to add LTE services to its network in the near future.

During the year under review, YTL Comms introduced numerous Internet plans bundled with some of the latest smartphones and tablets. These included the Acer Iconia One 7 Super Postpaid Bundle Plan, which offers the Intel-powered tablet free in an exclusive plan, the first Internet service provider in Malaysia to do so. Innovative plans bundled with smartphones launched during the year included the Xiaomi Note 4G, Xiaomi Redmi 2, Xiaomi Mi 4i, Samsung Note 4, Samsung Galaxy S6 and S6 Edge, as well as the Huawei Honor tablet.

YTL Comms continued to offer amongst the best value-for-money 4G Internet plans in the market. The Yes prepaid and Super Postpaid plans, as well as its device bundles, are designed with the average user in mind, offering high data quotas at low monthly commitment costs, enabling customers to experience world-class, affordable Internet mobility on the best, high-performing, value-for-money gadgets with generous data at 4G speeds for seamless Internet surfing.

In its drive to champion the use of Internet technology to empower Malaysian students and equip them with a culture of lifelong learning and technology know-how to succeed in the global knowledge economy, YTL Comms continued to work with various partners to digitally transform the national education landscape across Malaysia.

In a joint initiative with the Malaysian Ministry of Education and FrogAsia Sdn Bhd, a subsidiary of YTL Power, YTL Comms co-launched an initiative called *'Guru Muda 1Malaysia Programme Using Frog VLE (Frog Virtual Learning Environment) as a Teaching and Learning Platform'*. The Frog VLE is a digital learning platform made available to all government schools across Malaysia by the Ministry of Education under the 1BestariNet project. The Guru Muda 1Malaysia programme assisted approximately 5,000 teachers from 2,500 schools nationwide to bolster their proficiency with the Frog VLE and better understand how to utilise the platform to enhance the teaching and learning experience.

Additionally, YTL Comms collaborated with SJK(C) Keng Chee in Pulau Ketam, Selangor, and several strategic partners to co-launch the *'1 Murid, 1 Chromebook'* programme. This was a first-of-its-kind initiative to provide each student and teacher in a small rural school with a lightweight Samsung 4G Chromebook to make it easier for them to access the Frog VLE platform for research and learning purposes and benefit from a more collaborative learning and teaching environment. YTL Comms also donated 100 Samsung 4G Chromebooks and Yes Internet plans to 100 American Fulbright English Teaching Assistants to technologically empower them in their efforts to improve English language education in various schools across Malaysia.

YTL Comms was recently awarded the Malaysia Best Employer Brand Award 2015 in recognition for creating a culture of contribution and innovation at work. The company also picked up five awards at the 15th National Customer Experience Industry Awards 2014. The five awards, which acknowledged YesCare for customer service excellence, were the Silver award for *'Best Contact Centre in Telecommunications (Open)'* and Bronze awards for *'Best Newcomer Contact Centre (Open)'*, *'Best In-House Inbound Contact Centre (under 100 seats)'*, *'Best In-House Outsourced Contact Centre (under 100 seats)'*, and *'Best Contact Centre Manager'*.

Chairman's Statement

CORPORATE SOCIAL RESPONSIBILITY

The Group believes that effective corporate social responsibility can deliver benefits to its businesses and its shareholders by enhancing reputation and business trust, risk management, relationships with regulators, staff motivation and retention, customer loyalty and long-term shareholder value. Social responsibility and sustainability are key values of the Group and YTL Power places a high priority on acting responsibly in the conduct of its business.

As a multi-utility provider with operations and investments in Malaysia, the United Kingdom, Singapore, Indonesia and Australia, the Group works to ensure that its businesses are operated sustainably, to protect and preserve the resources on which its operations depend. YTL Power's largest international operations, Wessex Water in the United Kingdom and YTL PowerSeraya in Singapore, also have extensive, long-standing and long-term corporate citizenship programmes that have been integrated into their regulatory structures and business operations, for the benefit of their customers and stakeholders.

The Group is part of the wider network of the YTL group of companies under the umbrella of its parent company, YTL Corporation Berhad, which has a long-standing commitment to creating successful, profitable and sustainable businesses. Further details can be found in the **YTL Group Sustainability Report 2015**, issued as a separate report to enable shareholders and stakeholders to better assess the Group's sustainability record and activities. Meanwhile, YTL Power's statements on corporate governance, risk management and internal control, which elaborate further on its systems and controls, can be found as a separate section in this Annual Report.

FUTURE PROSPECTS

The outlook for Malaysia's economy remains fairly stable with GDP growth for the full 2015 calendar year expected to average between 4.5% and 5.5%, supported mainly by domestic demand and a resilient export sector, although the longer term effects of external uncertainties and other factors, such as the recent depreciation of the Malaysian Ringgit and volatile oil prices, remain to be seen. The global economy is projected to expand at a moderate pace for the rest of the 2015 calendar year, led by advanced economies on the back of lower oil prices, a more neutral Euro-area fiscal policy and improving confidence and labour market conditions. In contrast, growth in emerging markets and developing economies is expected to moderate due to lower commodity prices, external financial constraints, rebalancing in China and geopolitical tensions *(sources: Ministry of Finance, Bank Negara Malaysia updates)*.

The Group's solid foundation, built on its extensive international operations in the United Kingdom and Singapore, investments in Indonesia and Australia, and home-grown businesses in Malaysia, coupled with an established track record in managing investments, will continue to support YTL Power's future growth and development. The Group will remain on the look-out for viable new investments that complement its multi-utility capabilities.

As the Group embarks on another year, the Board of Directors of YTL Power wishes to take this opportunity to thank the Group's shareholders, investors, customers, business associates and the regulatory authorities for their ongoing support. We also extend our gratitude to the management and staff of the Group for their efforts in enabling YTL Power to deliver another strong performance.

TAN SRI DATO' SERI (DR) YEOH TIONG LAY
PSM, SPMS, SPDK, DPMS, KMN, PPN, PJK

Corporate Events

14 AUGUST 2014

'1 Murid, 1 Chromebook' Programme Launched

YTL Communications Sdn Bhd, in collaboration with Multiple Technology MSC Sdn Bhd, EduSpec Holding Bhd and SJK(C) Keng Chee in Pulau Ketam officially launched the *'1 Murid, 1 Chromebook'* programme. The programme is a first-of-its-kind initiative in Malaysia to provide a lightweight, cloud-based, Samsung 4G Chromebook to every single student and teacher in a school, to provide the students of the remote primary school with high quality learning made possible by Internet technology.

Beginning 3rd from left, Mr Harry Kwa, Head of Education, Asia Pacific, Google Inc; Encik Abdullah Bin Nordin, Head of Information and ICT Management, Selangor State Education Department; Ms Chuah Soo Cheng, Headmistress, SJK (C) Keng Chee; Datin Kathleen Chew Wai Lin, Group Legal Counsel, YTL Power International Berhad; and Mr Wing Lee, Chief Executive Officer, YTL Communications Sdn Bhd.

Corporate Events

2-5 MARCH 2015

World Mobile Congress in Barcelona, Spain

YTL Communications Sdn Bhd ("YTL Comms"), a subsidiary of YTL Power International Berhad ("YTL Power"), which owns and operates the Yes 4G network in Malaysia, participated in the Mobile World Congress 2015 in Barcelona, Spain. Attended by over 2,200 companies and 94,000 attendees from 200 countries in 2015, the Mobile World Congress is an annual industry-leading gathering for the mobile industry and related industries, organised by the GSMA (GSM Association), which represents the interests of mobile operators worldwide in the broader mobile ecosystem.

From left to right, Dato' Yeoh Soo Keng, Executive Director, YTL Power; Mr Jacob Yeoh Keong Yeow, Deputy Chief Executive Officer, YTL Comms; Mr Wing Lee, Chief Executive Officer, YTL Comms; Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Managing Director, YTL Power; Mr Sundar Pichai, Chief Executive Officer, Google Inc; Mr Hiroshi Lockheimer, Vice President of Engineering, Google Inc; Mr Felix Lin, Director of Product Management Chrome OS, Google Inc; and Mr Ali Tabassi, Chief Operating Officer, YTL Comms.

Mr Youngky Kim (left), President of Samsung Networks, and Tan Sri Dato' (Dr) Francis Yeoh Sock Ping (right), Managing Director of YTL Power, with Mr Wing Lee, Chief Executive Officer of YTL Comms and Mr Ali Tabassi, Chief Operating Officer of YTL Comms.

From left to right, Mr Ali Tabassi, Chief Operating Officer, YTL Comms; Mr Wing Lee, Chief Executive Officer, YTL Comms; Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Managing Director, YTL Power; Mr Steve Mollenkopf, Chief Executive Officer, Qualcomm Incorporated; Dato' Yeoh Soo Keng, Executive Director, YTL Power; Mr Mantosh Malhotra, Regional Head, Southeast Asia & Pacific, Qualcomm Incorporated; Mr Jay Srage, Senior Vice President, Global Market Development, Qualcomm Incorporated; and Mr Jacob Yeoh Keong Yeow, Deputy Chief Executive Officer, YTL Comms.

From left to right, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Managing Director, YTL Power; Dato' Yeoh Soo Keng, Executive Director, YTL Power; Mr Wing Lee, Chief Executive Officer, YTL Comms; Mr Ali Tabassi, Chief Operating Officer, YTL Comms; and Mr Hugo Barra, Vice President, Xiaomi Global.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of YTL Power International Berhad ("the Company") will be held at Mayang Sari Grand Ballroom, Lower Level 3, JW Marriott Hotel Kuala Lumpur, 183, Jalan Bukit Bintang, 55100 Kuala Lumpur on Tuesday, the 24th day of November, 2015 at 2.30 p.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To lay before the meeting the Audited Financial Statements for the financial year ended 30 June 2015 together with the Reports of the Directors and Auditors thereon; *Please refer Explanatory Note A*

2. To re-elect the following Directors who retire pursuant to Article 84 of the Company's Articles of Association:-

   (i) Tan Sri Dato' (Dr) Francis Yeoh Sock Ping *Resolution 1*
   (ii) Dato' Yeoh Soo Min *Resolution 2*
   (iii) Dato' Yeoh Soo Keng *Resolution 3*

3. To consider and if thought fit, pass the following Ordinary Resolutions in accordance with Section 129(6) of the Companies Act, 1965:-

   (i) "THAT Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay, retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the next Annual General Meeting." *Resolution 4*

   (ii) "THAT Tan Sri Datuk Dr Aris Bin Osman @ Othman, retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the next Annual General Meeting." *Resolution 5*

4. To approve the payment of Directors' fees amounting to RM770,000 for the financial year ended 30 June 2015; *Resolution 6*

5. To re-appoint the Auditors and to authorise the Directors to fix their remuneration. *Resolution 7*

Notice of Annual General Meeting

AS SPECIAL BUSINESS

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

Ordinary Resolutions:-

6. CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS

(i) "THAT subject to the passing of the Ordinary Resolution 5, approval be and is hereby given to Tan Sri Datuk Dr Aris Bin Osman @ Othman, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company." ***Resolution 8***

(ii) "THAT approval be and is hereby given to Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company." ***Resolution 9***

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 10***

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 Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Main LR") 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:-

(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 shareholder mandate for share buy-back which was obtained at the Annual General Meeting held on 25 November 2014, 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 2015, the audited Retained Profits and Share Premium Account of the Company were RM7,038,456,000 and RM2,287,408,000 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 Main LR and all other relevant governmental/regulatory authorities." *Resolution 11*

Notice of Annual General Meeting

9. PROPOSED RENEWAL OF SHAREHOLDER 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 major shareholder as specified in section 2.1.2 of the Circular to Shareholders dated 2 November 2015 subject to the following:-

(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 shareholder mandate in accordance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

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 shareholder mandate." *Resolution 12*

By Order of the Board,

Ho Say Keng
Company Secretary

Kuala Lumpur
2 November 2015

Notice of Annual General Meeting

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. Where a member of the Company is an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.

The instrument appointing a proxy, in the case of an individual, shall be signed by the appointor 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. The original 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 17 November 2015. Only a depositor whose name appears on the General Meeting Record of Depositors as at 17 November 2015 shall be entitled to attend the said meeting or appoint proxy to attend and/or vote in his stead.

Explanatory Note A

This Agenda item is meant for discussion only as under the provisions of Section 169(1) of the Companies Act, 1965, the audited financial statements do not require formal approval of shareholders and hence, the matter will not be put forward for voting.

Retirement of Director

Dato' (Dr) Yahya Bin Ismail, an Independent Non-Executive Director via his letter dated 16 October 2015 informed the Board of Directors of the Company that he does not wish to seek re-appointment pursuant to Section 129(6) of the Companies Act, 1965. Hence, he will retire at the conclusion of the Nineteenth Annual General Meeting.

Explanatory Notes to Special Business

Resolutions on the Continuing in Office as Independent Non-Executive Directors

In line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, Resolutions 8 and 9 are to enable Tan Sri Datuk Dr Aris Bin Osman @ Othman and Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng to continue serving as Independent Directors of the Company to fulfil the requirements of Paragraph 3.04 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The justifications of the Board of Directors for recommending and supporting the resolutions for their continuing in office as Independent Directors are set out in the Nominating Committee Statement which is available under the "Governance" section on the Company's website at **www.ytlpowerinternational.com**.

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

Resolution 10 is a renewal of the general authority given to the Directors of the Company to allot and issue shares ("S132D Mandate") as approved by the shareholders at the Eighteenth Annual General Meeting held on 25 November 2014 ("Previous Mandate").

As at the date of this Notice, the Company has not issued any new shares pursuant to the Previous Mandate which will lapse at the conclusion of the Nineteenth Annual General Meeting to be held on 24 November 2015.

Resolution 10, if passed, will enable the Directors to allot and issue ordinary shares at any time from unissued share capital of the Company up to an amount not exceeding ten per centum (10%) of the Company's issued share capital for the time being without convening a general meeting which will be both time and cost consuming. The S132D Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placement of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

Resolution pertaining to the Renewal of Authority to Buy-Back Shares of the Company

For Resolution 11, further information on the Share Buy-Back is set out in Part A of the Statement/Circular dated 2 November 2015 which is despatched together with the Company's Annual Report 2015.

Resolution pertaining to the Recurrent Related Party Transactions

For Resolution 12, further information on the Recurrent Related Party Transactions is set out in Part B of the Statement/Circular dated 2 November 2015 which is despatched together with the Company's Annual Report 2015.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of Bursa Malaysia Securities Berhad Main Market Listing Requirements)

1. DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS (EXCLUDING DIRECTORS STANDING FOR RE-ELECTION)

No individual is seeking election as a Director at the Nineteenth Annual General Meeting of the Company.

2. GENERAL MANDATE FOR ISSUE OF SECURITIES IN ACCORDANCE WITH PARAGRAPH 6.03(3) OF BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS

Details of the general mandate/authority for Directors to allot and issue shares in the Company pursuant to Section 132D of the Companies Act, 1965 are set out in the Explanatory Notes to Special Business of the Notice of Nineteenth Annual General Meeting.

Corporate Information

BOARD OF DIRECTORS

Executive Chairman

Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay
PSM, SPMS, SPDK, DPMS, KMN, PPN, PJK
Hon DEng (Heriot-Watt), DBA (Hon) (UMS), Chartered Builder
FCIOB, FAIB, FFB, FBIM, FSIET, FBGAM, FMID

Managing Director

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping
PSM, CBE, FICE, SIMP, DPMS, DPMP, JMN, JP
Hon LLD (Nottingham), Hon DEng (Kingston)
BSc (Hons) Civil Engineering, FFB, F Inst D, MBIM, RIM

Deputy Managing Director

Dato' Yeoh Seok Kian
DSSA
BSc (Hons) Bldg, MCIOB, FFB

Directors

Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
PSM, DPMT, ASM, JP

Tan Sri Datuk Dr. Aris Bin Osman @ Othman
PSM, PJN, KMN
PhD (Development Economics), MA (Development Economics)
BA (Hons) (Analytical Economics)

Dato' (Dr) Yahya Bin Ismail
DPMJ, DPCM, DPMP, KMN, PPT
Bachelor of Veterinary Science

Dato' Yusli Bin Mohamed Yusoff
DPMS
BA (Hons) (Economics)

Dato' Yeoh Soo Min
DSPN, DPMP, DIMP
BA (Hons) Accounting

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

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

Dato' Yeoh Soo Keng
DIMP
BSc (Hons) Civil Engineering

Dato' Mark Yeoh Seok Kah
DSSA
LLB (Hons)

Syed Abdullah Bin Syed Abd. Kadir
BSc (Engineering Production), BCom (Economics)

COMPANY SECRETARY

Ho Say Keng

Corporate Information

REGISTERED OFFICE

11th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603 2117 0088
603 2142 6633
Fax : 603 2141 2703

BUSINESS OFFICE

7th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603 2117 0088
603 2142 6633
Fax : 603 2141 2703

REGISTRAR

YTL Corporation Berhad
11th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603 2117 0088
603 2142 6633
Fax : 603 2141 2703

SOLICITORS

Lee, Perara & Tan
Rahmat Lim & Partners
Slaughter & May
TSMP Law Corporation

AUDIT COMMITTEE

Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
(Chairman and Independent Non-Executive Director)

Tan Sri Datuk Dr. Aris Bin Osman @ Othman
(Independent Non-Executive Director)

Dato' (Dr) Yahya Bin Ismail
(Independent Non-Executive Director)

NOMINATING COMMITTEE

Tan Sri Datuk Dr. Aris Bin Osman @ Othman
(Chairman and Independent Non-Executive Director)

Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
(Independent Non-Executive Director)

Dato' (Dr) Yahya Bin Ismail
(Independent Non-Executive Director)

Dato' Yusli Bin Mohamed Yusoff
(Independent Non-Executive Director)

AUDITORS

PricewaterhouseCoopers (AF 1146)
Chartered Accountants
Level 10, 1 Sentral, Jalan Travers
Kuala Lumpur Sentral
50470 Kuala Lumpur

PRINCIPAL BANKERS OF THE GROUP

AmBank (M) Berhad
Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad
BNP Paribas
CIMB Bank Berhad
DBS Bank Ltd
European Investment Bank
HSBC Bank Malaysia Berhad
Malayan Banking Berhad
Oversea-Chinese Banking Corporation Limited
RHB Bank Berhad
The Bank of Tokyo-Mitsubishi UFJ, Ltd

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market (23.5.1997)

Statement of Directors' Responsibilities

The Directors are required by the Companies Act, 1965 ("the Act") and the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Listing Requirements") 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.

In preparing the financial statements for the financial year ended 30 June 2015, the Directors have:-

- considered the applicable approved accounting standards in Malaysia;
- used appropriate accounting policies and applied them consistently; and
- made judgments and estimates that are reasonable and prudent.

The Directors 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 the financial position of the Group and of the Company which enable them to ensure that the financial statements comply with the Act, Listing Requirements, Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Statement on Corporate Governance

for the financial year ended 30 June 2015

The Board of Directors ("Board") of YTL Power International Berhad ("YTL Power" or "Company") remains firmly committed to ensuring an appropriate and sound system of corporate governance throughout the Company and its subsidiaries ("YTL Power Group"). The YTL Power Group has a long-standing commitment to corporate governance and protection of shareholder value, which has been integral to the YTL Power Group's achievements and strong financial profile to date.

The YTL Power Group's corporate governance structure is a fundamental part of the Board's responsibility to protect and enhance long-term shareholder value and the financial performance of the YTL Power Group, whilst taking into account the interests of all stakeholders.

In implementing its governance system and ensuring compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board has been guided by the principles and recommendations of the Malaysian Code on Corporate Governance 2012 ("Code").

The Board is satisfied that the Company has, in all material aspects, complied with the principles and recommendations of the Code for the financial year ended 30 June 2015. This statement explains the Company's application of the principles and compliance with the recommendations as set out in the Code for the financial year under review, including, where otherwise indicated, explanations of its alternative measures and processes.

ROLES & RESPONSIBILITIES OF THE BOARD

YTL Power is led and managed by an experienced Board with a wide and varied range of expertise to address and manage the complexity and scale of the YTL Power Group's operations. This broad spectrum of skills and experience ensures the YTL Power 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 Power Group. Key elements of the Board's stewardship responsibilities include those set out in Code:

- Reviewing and adopting strategic plans for the YTL Power Group;
- Overseeing the conduct of the YTL Power Group's business operations and financial performance;
- Identifying principal risks affecting the YTL Power Group's businesses and maintaining a sound system of internal control and mitigation measures;
- Succession planning;
- Overseeing the development and implementation of shareholder communications policies; and
- Reviewing the adequacy and integrity of the YTL Power Group's management information and internal controls system.

The Managing Director and Executive Directors are accountable to the Board for the profitability and development of the YTL Power Group, consistent with the primary aim of enhancing long-term shareholder value. The Independent Non-Executive Directors have the experience and business acumen necessary to carry sufficient weight in the Board's decisions and the presence of these Independent Non-Executive Directors brings an additional element of balance to the Board as they do not participate in the day-to-day running of the YTL Power Group.

The roles of Executive and Non-Executive Directors are differentiated, 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 judgment to bear on issues of strategy, performance and resources brought before the Board. The Executive Directors are collectively accountable for the running and management of the YTL Power Group's operations and for ensuring that strategies 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 Power Group conducts its business.

The Directors also observe and adhere to the Code of Ethics for Company Directors established by the Companies Commission of Malaysia, which encompasses the formulation of corporate accountability standards in order to establish an ethical corporate environment.

In the discharge of their responsibilities, the Directors have established functions which are reserved for the Board and those which are delegated to management. Key matters reserved for the Board's approval include overall strategic direction, business expansion and restructuring plans, material acquisitions and disposals, expenditure over certain limits, issuance of new securities and capital alteration plans. Further information on authorisation procedures, authority levels and other key processes can also be found in the ***Statement on Risk Management & Internal Control*** set out in this Annual Report.

The Board believes sustainability is integral to the long-term success of the YTL Power Group. Further information on the YTL Power Group's sustainability activities can be found in the ***Chairman's Statement*** in this Annual Report.

The Board's functions are governed and regulated by the Memorandum and Articles of Association of the Company and the various applicable legislation, Listing Requirements and other regulations and codes. The Board's charter was formalised during the financial year ended 30 June 2014 and a copy can be found under the "Governance" section on the Company's website at **www.ytlpowerinternational.com**.

Board meetings are scheduled with due notice in advance at least 5 times in a year in order to review and approve the annual and interim financial results. Additional meetings may also be convened on an ad-hoc basis when significant issues arise relating to the YTL Power Group and when necessary to review the progress of its operating subsidiaries in achieving their strategic goals. The Board met 5 times during the financial year ended 30 June 2015.

The Directors are fully apprised of the need to determine and disclose potential or actual conflicts of interest which may arise in relation to transactions or matters which come before the Board. In accordance with applicable laws and regulations, the Directors formally disclose any direct or indirect interests or conflicts of interests in such transactions or matters as and when they arise and abstain from deliberations and voting at Board meetings as required.

The Directors have full and unrestricted access to all information pertaining to the YTL Power Group's business and affairs to enable them to discharge their duties. Prior to each Board meeting, all Directors receive the agenda together with a comprehensive set of Board papers encompassing qualitative and quantitative information relevant to the business of the meeting. This allows the Directors to obtain further explanations or clarifications, where necessary, in order to be properly briefed before each meeting.

Board papers are presented in a consistent, concise and comprehensive format, and include, where relevant to the proposal put forward for the Board's deliberation, approval or knowledge, progress reports on the YTL Power Group's operations and detailed information on corporate proposals, major fund-raising exercises and significant acquisitions and disposals. Where necessary or prudent, professional advisers may be on hand to provide further information and respond directly to Directors' queries. In order to maintain confidentiality, Board papers on issues that are deemed to be price-sensitive may be handed out to Directors during the Board meeting.

All Directors have full access to the advice and services of the Company Secretary who consistently 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. The Company Secretary works very closely with management for timely and appropriate information, which will then be passed on to the Directors. In accordance with the Board's procedures, deliberations and conclusions in Board meetings are recorded by the Company Secretary, who ensures that accurate and proper records of the proceedings of Board meetings and resolutions passed are recorded and kept in the statutory register at the registered office of the Company.

COMPOSITION & INDEPENDENCE OF THE BOARD

The Board currently has 13 Directors, comprising 9 executive members and 4 non-executive members, all 4 of whom are independent. This provides an effective check and balance in the functioning of the Board, and complies with the Listing Requirements, which require one-third of the Board to be independent.

In accordance with the Company's Articles of Association, at least one-third of the Directors are required to retire from office at each Annual General Meeting ("AGM") and may offer themselves for re-election by rotation. 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 by shareholders annually in accordance with Section 129 of the Companies Act 1965. The names of Directors seeking re-election at the forthcoming AGM are disclosed in the ***Notice of Annual General Meeting*** in this Annual Report and their details can be found in the ***Profile of the Board of Directors*** which is available under the "Governance" section on the Company's website at **www.ytlpowerinternational.com**.

Statement on Corporate Governance
for the financial year ended 30 June 2015

The Nominating Committee, which was established by the Board on 23 May 2013, is now responsible for assessing suitable candidates for appointment to the Board for approval, taking into account the required mix of skills, experience and expertise of members of the Board before submitting its recommendation to the Board for decision. Further information on the activities of the Nominating Committee can be found in the ***Nominating Committee Statement*** which is available under the "Governance" section on the Company's website at **www.ytlpowerinternational.com**.

Directors' remuneration is decided in line with the objective recommended by the Code to determine the remuneration for Directors so as to attract, retain, motivate and incentivise Directors of the necessary calibre to lead the YTL Power Group successfully. In general, the remuneration of the Directors is reviewed against the performance of the individual and the YTL Power Group. The Executive Directors' remuneration consists of basic salary, other emoluments and other customary benefits as appropriate to a senior management member. The component parts of remuneration are structured so as to link rewards to performance. 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*** in the ***Notes to the Financial Statements*** in this Annual Report. Details are not shown with reference to Directors individually, both for security reasons and because the Board believes that such information will not add significantly to the understanding and evaluation of the YTL Power Group's standards of corporate governance.

In order to ensure balance of authority and accountability, the roles of the Executive Chairman and the Managing Director are separate and distinct, and these positions are held by separate members of the Board. The Executive Chairman is primarily responsible for the orderly conduct and effectiveness of the Board whereas the Managing Director oversees the day-to-day running of the business, implementation of Board policies and making of operational decisions, in addition to advancing relationships with regulators and all other stakeholders. Whilst the Code recommends that the Chairman should be a non-executive member, the Board is of the view that its existing measures, including the delineation of the roles and duties of the Managing Director and the Executive Chairman and the presence of independent oversight by the Independent Non-Executive Directors, are sufficient to ensure the balance of accountability and authority within the Board.

BOARD COMMITMENT

In accordance with the Listing Requirements, each member of the Board holds not more than five directorships in public listed companies. This ensures that their commitment, resources and time are focused on the affairs of the YTL Power Group thereby enabling them to discharge their duties effectively. The details of each Director's attendance of Board meetings and training programmes attended during the year under review are disclosed in the ***Profile of the Board of Directors*** and the ***Nominating Committee Statement*** which are available under the "Governance" section on the Company's website at **www.ytlpowerinternational.com**.

INTEGRITY IN FINANCIAL REPORTING

The Company has in place an Audit Committee which comprises 3 Non-Executive Directors in compliance with the Listing Requirements which require all the members of the Audit Committee to be non-executive members. The Audit Committee holds quarterly meetings to review matters including the YTL Power Group's financial reporting, the audit plans for the financial year and recurrent related party transactions, as well as to deliberate the findings of the internal and external auditors.

The Audit Committee met 5 times during the financial year ended 30 June 2015. Full details of the composition, complete terms of reference and a summary of the activities of the Audit Committee during the financial year are set out in the ***Audit Committee Report*** which is available under the "Governance" section on the Company's website at **www.ytlpowerinternational.com**.

The Audit Committee has established formal and professional arrangements for maintaining an appropriate relationship with the Company's external auditors, Messrs PricewaterhouseCoopers. The external auditors also attend each AGM in order to address clarifications sought pertaining to the audited financial statements by shareholders.

The Directors are responsible for ensuring that financial statements are drawn up in accordance with the Companies Act 1965, the Listing Requirements, applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards. The ***Statement of Directors' Responsibilities*** made pursuant to Section 169 of the Companies Act 1965 is set out in this Annual Report.

In presenting the financial statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, to present a true and fair assessment of the Company's position and prospects. Interim financial statements were reviewed by the Audit Committee and approved by the Board prior to release to Bursa Securities.

RISK MANAGEMENT

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control to safeguard the investment of its shareholders and the YTL Power Group's assets. Details of the YTL Power Group's system of risk management and internal control and its internal audit function are contained in the ***Statement on Risk Management & Internal Control*** in this Annual Report and the ***Audit Committee Report*** which is available under the "Governance" section on the Company's website at **www.ytlpowerinternational.com**.

CORPORATE DISCLOSURE & COMMUNICATION WITH SHAREHOLDERS

The YTL Power Group values dialogue with investors and constantly strives to improve transparency by maintaining channels of communication with shareholders and investors that enable the Board to convey information about performance, corporate strategy and other matters affecting stakeholders' interests. The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value and recognises the importance of timely dissemination of information to shareholders.

Accordingly, the Board ensures that shareholders are kept well-informed of any major development of the YTL Power 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. Corporate information, annual financial results, governance information, business reviews and future plans are disseminated through the Annual Report, whilst current corporate developments are communicated via the Company's corporate website at **www.ytlpowerinternational.com** and the YTL Corporation Berhad Group's community website at **www.ytlcommunity.com**, in addition to prescribed information, including its interim financial results, announcements, circulars, prospectuses and notices, which is released through the official website of Bursa Securities.

The Managing Director and the Executive Directors meet with analysts, institutional shareholders and investors throughout the year not only to promote the dissemination of the YTL Power Group's financial results but to provide updates on strategies and new developments to ensure better understanding of the YTL Power Group's operations and activities. Presentations based on permissible disclosures are made to explain the YTL Power Group's performance and major development programs. Whilst efforts are made to provide as much information as possible to its shareholders and stakeholders, the Directors are cognisant of the legal and regulatory framework governing the release of material and sensitive information so as to not mislead its shareholders. Therefore, the information that is price-sensitive or that may be regarded as undisclosed material information about the YTL Power Group is not disclosed to any party 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 Power Group, the resolutions being proposed and the business of the YTL Power Group in general at every general meeting of the Company. The notice of the AGM and a circular to shareholders in relation to the renewal of the Company's share buy-back and recurrent related party transactions mandates, if applicable, are sent to shareholders at least 21 days prior to the AGM in accordance with the Listing Requirements and the Companies Act 1965 in order to enable shareholders to review the YTL Power Group's financial and operational performance for the financial year and to fully evaluate new resolutions being proposed.

The Managing Director and Executive Directors take the opportunity to present a comprehensive review of the progress and performance of the YTL Power Group and provide appropriate answers in response to shareholders' questions during the meeting, thereby ensuring a high level of accountability, transparency and identification with the YTL Power 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 the issues involved.

The rights of shareholders, including the right to demand for a poll, are found in the Articles of Association of the Company. At the 18th AGM of the Company, held on 25 November 2014, the resolutions put forth for shareholders' approval were voted on by a show of hands as there were no shareholder demands for voting to be done by way of a poll.

This statement was approved by the Board of Directors on 20 August 2015.

Statement on Risk Management & Internal Control

for the financial year ended 30 June 2015

During the financial year under review, YTL Power International Berhad ("YTL Power" or "Company") and its subsidiaries ("YTL Power Group") continued to enhance the YTL Power Group's system of internal control and risk management, to comply with the applicable provisions of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the principles and recommendations of the Malaysian Code on Corporate Governance 2012 ("Code").

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control to safeguard the investment of its shareholders and the assets of the YTL Power Group, and that these controls are designed to provide reasonable, but not absolute, assurance against the risk of occurrence of material errors, fraud or losses.

RESPONSIBILITIES OF THE BOARD

The Board is ultimately responsible for maintaining a sound system of risk management and internal control which includes the establishment of an appropriate control environment framework to address the need to safeguard shareholders' investments and the assets of the YTL Power 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 Power Group's system of risk management and internal control is a concerted and continuing process, designed to minimise the likelihood of fraud and error, and to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, the system of risk management and internal control can only provide reasonable but not absolute assurance against material misstatement, fraud and loss.

The Board believes that the YTL Power Group's system of risk management and internal control, financial or otherwise in place for the financial year under review, 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 POWER GROUP'S SYSTEM OF INTERNAL CONTROL

The Board is committed to maintaining a sound internal control structure that includes processes for continuous monitoring and review of effectiveness of control activities, and to govern the manner in which the YTL Power Group and its staff conduct themselves. The principal features which formed part of the YTL Power Group's system of internal control can be summarised as follows:-

- **Authorisation Procedures:** The YTL Power Group has a clear definition of authorisation procedures and a clear line of accountability, with strict authorisation, approval and control procedures within the Board and the senior management. Responsibility levels are communicated throughout the YTL Power Group which set out, among others, authorisation levels, segregation of duties and other control procedures to promote effective and independent stewardship in the best interests of shareholders.

- **Authority Levels:** The YTL Power Group has delegated authority levels for major tenders, capital expenditure projects, acquisitions and disposals of businesses and other significant transactions to the Executive Directors. The approval of capital and revenue proposals above certain 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 decisions on key treasury matters including financing of corporate and investment funding requirements, foreign currency and interest rate risk management, investments, insurance and designation of authorised signatories.

- **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 Power Group's state of affairs are disclosed to shareholders after review and audit by the external auditors.

- **Internal Compliance:** The YTL Power Group monitors compliance with its internal financial controls through management reviews and reports which are internally reviewed by key personnel to enable it to gauge achievement of annual targets. Updates of internal policies and procedures are undertaken to reflect changing risks or resolve operational deficiencies, as well as changes to legal and regulatory compliance requirements relevant to the YTL Power Group. Internal audit visits are systematically arranged over specific periods to monitor and scrutinise compliance with procedures and assess the integrity of financial information provided.

KEY PROCESSES OF THE YTL POWER 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:** The YTL Power Group's internal audit function is carried out by the Internal Audit department within the YTL Corporation Berhad Group ("YTLIA"), which provides assurance on the efficiency and effectiveness of the internal control systems implemented by management, and reports directly to the Audit Committee. A description of the activities of the internal audit function can be found in the ***Audit Committee Report*** which is available under the "Governance" section of the Company's website at **www.ytlpowerinternational.com**.

  YTLIA operates independently of the activities it audits and provides periodic reports to the Audit Committee, reporting on the outcome of the audits conducted which highlight the effectiveness of the system of internal control and significant risks. The Audit Committee reviews and evaluates the key concerns and issues raised by YTLIA and ensures that appropriate and prompt remedial action is taken by management.

  None of the weaknesses or issues identified during the review for the financial year has 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 companies of the Wessex Water Limited group ("Wessex Water") based in the United Kingdom ("UK") were not covered by the internal audit process discussed above. Wessex Water's operations are subject to stringent financial and operational controls imposed by its regulator, the UK Water Services Regulation Authority (known as Ofwat), a government body, and by its regulatory licence. Wessex Water Services Limited ("WWSL") possesses its own internal audit department. The internal audit department reports to WWSL's audit committee, which has the responsibility to ensure the preservation of good financial practices and monitor the controls that are in place to ensure the integrity of those practices. It reviews the annual financial statements and provides a line of communication between the board of directors and the external auditors. It has formal terms of reference which deal with its authorities and duties, and its findings are presented to the Audit Committee.

Similarly, the companies of the YTL PowerSeraya Pte Limited group ("YTL PowerSeraya") based in Singapore were also not covered by YTLIA. YTL PowerSeraya's operations are subject to stringent financial and operational controls imposed by its regulator, the Energy Market Authority ("EMA"), a statutory board under the Minister of Trade and Industry of Singapore. YTL PowerSeraya outsourced its internal audit to a reputable professional firm which reports to its audit committee and its findings are also presented to the Audit Committee. YTL PowerSeraya has the responsibility to ensure that the internal controls and systems in place are maintained to provide reasonable assurance as to the integrity and reliability of its financial statements.

The system of internal control will continue to be reviewed, enhanced and 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 appraisals by YTLIA. The Board is of the view that the current system of internal control in place throughout the YTL Power Group is effective to safeguard its interests.

Statement on Risk Management & Internal Control

for the financial year ended 30 June 2015

- **Senior Management Meetings:** The YTL Power Group conducts weekly meetings of the senior management which comprises Executive Directors and divisional heads. The purpose of these meetings is to deliberate and decide upon urgent company matters. Decisions can then be effectively communicated to relevant staff levels in a timely manner. From these meetings, the management is able to identify significant operational and financial risks of the business units concerned.

- **Treasury Meetings:** Management meetings are convened to review, identify, discuss and resolve significant financial and treasury matters and to monitor the financial standing of the YTL Power Group. These meetings are conducted on a weekly basis to 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 at least the YTL Power Group Managing Director, Executive Directors and senior managers.

- **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. This is to ensure that management and the Executive Directors maintain a transparent and open channel of communication for effective operation.

KEY FEATURES & PROCESSES OF THE YTL POWER GROUP'S RISK MANAGEMENT FRAMEWORK

The YTL Power 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 Power Group's strategy of acquiring regulated assets and financing acquisitions on a non-recourse basis. These include YTL Power Generation Sdn Bhd, Wessex Water and YTL PowerSeraya, as well as its interests in ElectraNet Pty Ltd and P.T. Jawa Power. These assets share common characteristics of highly predictable operating costs and revenue streams, which in turn generate stable and predictable cash flows and profits, underpinned by an established regulatory environment in their respective markets of operation.

The Board acknowledges that all areas of the YTL Power Group's business activities involve some degree of risk. The YTL Power Group is committed to ensuring that there is an effective risk management framework which allows management to manage risks within defined parameters and standards, and promotes profitability of the YTL Power Group's operations in order to enhance shareholder value.

The Board assumes overall responsibility for the YTL Power Group's risk management framework. Identifying, evaluating and managing any significant risks faced by the YTL Power Group is an ongoing process which is undertaken by the senior management at each level of operations and by the Audit Committee, which assesses and analyses these findings and reports to the Board. At the same time, YTLIA, in the performance of its internal audit function, will identify and evaluate any significant risks faced by the YTL Power Group and report these findings to the Audit Committee. During the financial year under review, the Board's functions within the risk management framework were exercised primarily by the Executive Directors through their participation 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.

The YTL Power Group's activities expose it to a variety of financial risks, including market risk (comprising foreign currency exchange risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk. The YTL Power Group's overall financial risk management objective is to ensure that the YTL Power Group creates value for its shareholders. The YTL Power Group focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. Financial risk management is carried out through regular risk review analysis, internal control systems and adherence to the YTL Power Group's financial risk management policies. The Board regularly reviews these risks and approves the appropriate control environment framework. Further discussion and details on the YTL Power Group's financial risk management is contained in ***Note 32*** of the ***Notes to the Financial Statements*** in this Annual Report.

Statement on Risk Management & Internal Control
for the financial year ended 30 June 2015

Management is responsible for creating a risk-aware culture within the YTL Power Group and 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. Significant changes in the business and the external environment which affect significant risks will be reported by the management to the Board in developing a risk mitigation action plan. 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. This is to ensure the YTL Power Group is able to respond effectively to the constantly changing business environment in order to protect and enhance stakeholders' interests and shareholder value.

REVIEW BY EXTERNAL AUDITORS

As required under Paragraph 15.23 of the Listing Requirements, the external auditors, Messrs PricewaterhouseCoopers, have reviewed this Statement on Risk Management & Internal Control. Their review was performed in accordance with Recommended Practice Guide ("RPG") 5 issued by the Malaysian Institute of Accountants. Based on their review, they have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in reviewing the adequacy and integrity of internal control and risk management of the YTL Power Group. RPG 5 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the YTL Power Group.

CONCLUSION

The Board is of the view that the system of risk management and internal control being instituted throughout the YTL Power Group is sound and effective. The monitoring, review and reporting arrangements in place give reasonable assurance that the structure and operation of controls are appropriate for the YTL Power Group's operations and that risks are at an acceptable level throughout its businesses. The Managing Director and the Executive Director primarily responsible for the financial management of YTL Power have provided assurance to the Board that the YTL Power Group's risk management and internal control system is operating adequately and effectively. Reviews of all the control procedures will be continuously carried out to ensure the ongoing effectiveness and adequacy of the system of risk management and internal control, so as to safeguard shareholders' investments and the YTL Power Group's assets.

This statement was approved by the Board of Directors on 20 August 2015.

Disclosure of Recurrent Related Party Transactions of a Revenue or Trading Nature

for the financial year ended 30 June 2015

At the last Annual General Meeting of YTL Power International Berhad ("YTL Power") held on 25 November 2014, the Company had obtained a mandate from its shareholders to allow YTL Power and/or its subsidiaries ("YTL Power Group") to enter into related party transactions which are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations of YTL Power or its subsidiaries ("Recurrent Related Party Transactions").

In accordance with Paragraph 10.09(2)(b) of Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Main LR"), details of the Recurrent Related Party Transactions conducted during the financial year ended 30 June 2015 pursuant to the said shareholder mandate are as follows:-

Corporation in the YTL Power Group involved in the Recurrent Related Party Transactions	Related Party	Nature of Transactions	Interested Related Parties	Nature of Relationship	Value of Transactions RM'000
Extiva Communications Sdn Bhd; FrogAsia Sdn Bhd; YTL Power; YTL PowerSeraya Pte Ltd; YTL Communications Sdn Bhd ("YTL Comm"); YTL Digital Sdn Bhd; YTL Power Generation Sdn Bhd	YTL Corporation[b] Group[g]	Provision of operation and maintenance services by Related Party; Provision of hotel related services by Related Party; Provision of parking facilities by Related Party; Rental of office premises at Menara ING, Kuala Lumpur and procurement of related services from Related Party; Provision of telecommunications and/or broadband services, equipment and/or related services to Related Party; Rental of premises at Lot 10 Shopping Centre, and 183, Jalan Bukit Bintang, Kuala Lumpur, and procurement of related services from Related Party; Provision of hospitality and/or travel related services by Related Party; Charges paid for use of rooftop space, office and other premises; Procurement of construction and related services, and building infrastructure/ equipment from Related Party; Rental of residential unit at Indera Putra Courts, Johor Bahru from Related Party.	YTLSH[a] YTL Corporation[b] Tan Sri Yeoh Tiong Lay[c] Yeoh Siblings[d] Directors' Spouses[e] Other Connected Parties[f] MS of Subsidiaries[h] Dato' Md. Zainal Abidin Group[i]	^Major Shareholder/ †Person Connected[1] ^Major Shareholder/ †Person Connected[2] Director/^Major Shareholder/ †Person Connected[1][2][3][4] Directors[1][2][3][4] †Person Connected[4] †Person Connected[4] ^Major Shareholder[4] †Person Connected[4]	151,353

Disclosure of Recurrent Related Party Transactions of a Revenue or Trading Nature

for the financial year ended 30 June 2015

Footnotes:-

(a)	YTLSH	–	Yeoh Tiong Lay & Sons Holdings Sdn Bhd
(b)	YTL Corporation	–	YTL Corporation Berhad
(c)	Tan Sri Yeoh Tiong Lay	–	Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay
(d)	Yeoh Siblings	–	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Dato' Yeoh Seok Kian, Dato' Yeoh Soo Min, Dato' Yeoh Seok Hong, Dato' Sri Michael Yeoh Sock Siong, Dato' Yeoh Soo Keng & Dato' Mark Yeoh Seok Kah
(e)	Directors' Spouses	–	Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong, Datin Lim Lee Lee, Dato' Tan Kim Kuan, Datin Kathleen Chew Wai Lin, Datin Sri Tan Siew Bee, Dato' Choy Wai Hin, & Datin Julie Teh Chooi Gan
(f)	Other Connected Parties	–	Yeoh Pei Leeng, Yeoh Pei Nee, Yeoh Pei Teeng and Yeoh Keong Wei (children of Dato' Yeoh Seok Kian); Tan & Yeoh Properties Sdn Bhd (a Person Connected with Dato' Yeoh Soo Min and her spouse); Tan Chien Wen (son of Dato' Yeoh Soo Min); Yeoh Keong Hann, Yeoh Pei Lou, Yeoh Pei Tsen and Yeoh Keong Yuan (children of Dato' Yeoh Seok Hong).
(g)	YTL Corporation Group	–	YTL Corporation and its subsidiaries and associated companies excluding YTL Power, YTL e-Solutions Berhad, YTL Land & Development Berhad and their subsidiaries and associated companies.
(h)	MS of Subsidiaries	–	Dato' Hj Mohamed Zainal Abidin bin Hj Abdul Kadir ("Dato' Md. Zainal Abidin") and Raja Dato' Wahid bin Raja Kamaral Zaman, both of whom are Major Shareholders of YTL Comm and its subsidiaries.
(i)	Dato' Md. Zainal Abidin Group	–	Seri Yakin Sdn Bhd (Person Connected with MS of Subsidiaries), MZK Realty Sdn Bhd, Mazita binti Mohamed Zainal Abidin, Mohamad Ziad bin Mohamed Zainal Abidin and Mohamad Zaid bin Mohamed Zainal Abidin (Persons Connected with Dato' Md. Zainal Abidin).
^	Major Shareholder	–	As defined in Paragraph 1.01 of the Main LR and for purpose of this disclosure, includes the definition set out in Chapter 10 of the Main LR.
†	Person Connected	–	As defined in Paragraph 1.01 of the Main LR.

Notes:-

(1) YTLSH is a Major Shareholder of YTL Power Group and YTL Corporation Group. YTLSH is a Person Connected with Tan Sri Yeoh Tiong Lay and the Yeoh Siblings.

(2) YTL Corporation is a Major Shareholder of YTL Power Group, and the subsidiaries and associated companies of YTL Corporation. YTL Corporation is a Person Connected with Tan Sri Yeoh Tiong Lay and the Yeoh Siblings.

(3) Tan Sri Yeoh Tiong Lay is a Major Shareholder of YTLSH, YTL Corporation Group, and YTL Power Group. Tan Sri Yeoh Tiong Lay is also a Person Connected with the Yeoh Siblings.

(4) Tan Sri Yeoh Tiong Lay and the Yeoh Siblings are also Directors of YTL Corporation. Directors' Spouses are Persons Connected with Tan Sri Yeoh Tiong Lay and the Yeoh Siblings. Tan Sri Yeoh Tiong Lay, the Yeoh Siblings, Directors' Spouses, Other Connected Parties, Dato' Md. Zainal Abidin and Dato' Md. Zainal Abidin Group had interests in the ordinary shares of YTL Corporation as at 30 June 2015.

Analysis of Share/Warrant Holdings

as at 22 September 2015

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	5,582	14.47	191,641	0.00
100 – 1,000	4,813	12.48	2,061,406	0.03
1,001 – 10,000	20,616	53.43	75,774,802	1.07
10,001 – 100,000	6,562	17.01	170,039,158	2.40
100,001 to less than 5% of issued shares	1,004	2.60	2,102,166,208	29.64
5% and above of issued shares	5	0.01	4,741,737,174	66.86
Total	**38,582**	**100.00**	**7,091,970,389**	**100.00**

THIRTY LARGEST SHAREHOLDERS

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

	Name	No. of Shares	%#
1	YTL Corporation Berhad	3,015,964,275	42.53
2	Cornerstone Crest Sdn Bhd	485,294,116	6.84
3	YTL Corporation Berhad	485,046,910	6.84
4	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board	377,966,791	5.33
5	Amanahraya Trustees Berhad – Skim Amanah Saham Bumiputera	377,465,082	5.32
6	RHB Capital Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Yeoh Tiong Lay & Sons Holdings Sdn Bhd	284,000,000	4.00
7	DB (Malaysia) Nominee (Asing) Sdn Bhd – Exempt An for Deutsche Bank AG Singapore (PWM Asing)	216,726,937	3.06
8	Kumpulan Wang Persaraan (Diperbadankan)	183,887,020	2.59
9	Lembaga Tabung Haji	134,631,363	1.90
10	Amanahraya Trustees Berhad – Amanah Saham Wawasan 2020	58,815,389	0.83
11	Cartaban Nominees (Asing) Sdn Bhd – Exempt An for State Street Bank & Trust Company (WEST CLT OD67)	54,721,034	0.77
12	Amanahraya Trustees Berhad – Amanah Saham Malaysia	53,913,700	0.76
13	Maybank Nominees (Tempatan) Sdn Bhd – Maybank Asset Management Sdn Bhd for Malayan Banking Berhad (N14011200618)	47,256,045	0.67
14	HSBC Nominees (Asing) Sdn Bhd – BBH and Co Boston for Vanguard Emerging Markets Stock Index Fund	45,714,668	0.64
15	Amanahraya Trustees Berhad – AS 1Malaysia	44,771,740	0.63

Analysis of Share/Warrant Holdings

as at 22 September 2015

	Name	No. of Shares	%#
16	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.S.A.)	31,166,256	0.44
17	Dato' Yeoh Seok Hong	23,975,217	0.34
18	Dato' Yeoh Seok Hong	21,869,999	0.31
19	Cartaban Nominees (Asing) Sdn Bhd – GIC Private Limited for Government of Singapore (C)	21,802,267	0.31
20	Amanahraya Trustees Berhad – Amanah Saham Didik	21,661,502	0.31
21	Citigroup Nominees (Asing) Sdn Bhd – UBS AG	19,172,064	0.27
22	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.K.)	17,446,670	0.25
23	Dato' Yeoh Soo Min	16,862,430	0.24
24	HSBC Nominees (Asing) Sdn Bhd – Exempt An for The Bank of New York Mellon (Mellon Acct)	16,349,749	0.23
25	HSBC Nominees (Asing) Sdn Bhd – HSBC Bk Plc for Saudi Arabian Monetary Agency	15,688,735	0.22
26	HSBC Nominees (Asing) Sdn Bhd – Exempt an for J.P. Morgan Bank Luxembourg S.A. (JPMINTL Bk Ltd)	14,848,668	0.21
27	Dato' Sri Michael Yeoh Sock Siong	14,055,133	0.20
28	Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	14,049,262	0.20
29	CIMB Group Nominees (Tempatan) Sdn Bhd – CIMB Bank Berhad (EDP 2)	13,800,250	0.19
30	HSBC Nominees (Asing) Sdn Bhd – Six Sis for Bank Sarasin Cie	13,763,733	0.19
	Total	**6,142,687,005**	**86.62**

SUBSTANTIAL SHAREHOLDERS (as per register of substantial shareholders)

	No. of Shares Held			
Name	Direct	%#	Indirect	%#
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	288,313,031	4.07	3,994,309,183←	56.32
YTL Corporation Berhad	3,508,806,361	49.48	485,502,822↑	6.85
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	21,599,262	0.30	4,282,622,214ℜ	60.39
Cornerstone Crest Sdn Bhd	485,294,116	6.84	–	–
Employees Provident Fund Board	376,626,791	5.31	–	–

← Deemed interests by virtue of interests held by YTL Corporation Berhad, YTL Power Services Sdn Bhd and Cornerstone Crest Sdn Bhd pursuant to Section 6A of the Companies Act, 1965

↑ Deemed interests by virtue of interests held by YTL Power Services Sdn Bhd and Cornerstone Crest Sdn Bhd pursuant to Section 6A of the Companies Act, 1965

ℜ Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad, YTL Power Services Sdn Bhd and Cornerstone Crest Sdn Bhd pursuant to Section 6A of the Companies Act, 1965

Based on the issued and paid-up capital of the Company of RM3,738,117,534.00 comprising 7,476,235,068 ordinary shares net of 384,264,679 treasury shares retained by the Company as per Record of Depositors.

Analysis of Share/Warrant Holdings

as at 22 September 2015

Type of Securities	:	Warrants 2008/2018
Voting rights	:	One vote per Warrant 2008/2018 holder on a show of hands or one vote per Warrant 2008/2018 on a poll in respect of meeting of Warrant 2008/2018 holders

DISTRIBUTION OF WARRANT 2008/2018 HOLDINGS

Size of holding	No. of Warrants 2008/2018 Holders	%	No. of Warrants 2008/2018	%
Less than 100	401	3.47	14,060	0.00
100 – 1,000	4,861	42.20	2,610,096	0.33
1,001 – 10,000	4,749	41.23	16,438,998	2.10
10,001 – 100,000	1,260	10.94	40,875,302	5.22
100,001 to less than 5% of issued warrants	245	2.13	143,881,995	18.38
5% and above of issued warrants	3	0.03	579,079,003	73.97
Total	**11,519**	**100.00**	**782,899,454**	**100.00**

THIRTY LARGEST WARRANTS 2008/2018 HOLDERS

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

	Name	No. of Warrants 2008/2018	%
1	Yeoh Tiong Lay & Sons Holdings Sdn Bhd	418,542,394	53.46
2	YTL Corporation Berhad	90,829,548	11.60
3	YTL Corporation Berhad	69,707,061	8.90
4	UOBM Nominees (Asing) Sdn Bhd – Deutsche Bank AG Singapore Branch (PBD) for Orchestral Harmony Limited	5,641,788	0.72
5	UOBM Nominees (Asing) Sdn Bhd – Deutsche Bank AG Singapore Branch (PBD) for Velvet Properties Limited	5,524,834	0.71
6	Cartaban Nominees (Asing) Sdn Bhd – GIC Private Limited for Government of Singapore (C)	5,326,600	0.68
7	UOB Kay Hian Nominees (Tempatan) Sdn Bhd – Exempt An for UOB Kay Hian Pte Ltd (A/c Clients)	4,700,000	0.60
8	Maybank Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Su Tiing Uh	3,410,806	0.44
9	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.K.)	3,254,959	0.42
10	UOBM Nominees (Asing) Sdn Bhd – Deutsche Bank AG Singapore Branch (PBD) for Windchime Developments Limited	3,205,887	0.41
11	Yeoh Tiong Lay & Sons Holdings Sdn Bhd	3,125,794	0.40
12	Yeoh Tiong Lay & Sons Holdings Sdn Bhd	3,011,180	0.38
13	Lock Kai Sang	2,929,600	0.37

Analysis of Share/Warrant Holdings
as at 22 September 2015

	Name	No. of Warrants 2008/2018	%
14	UOBM Nominees (Asing) Sdn Bhd – Deutsche Bank AG Singapore Branch (PBD) for Water City Limited	2,894,290	0.37
15	Globalised Market Traders Pte Ltd	2,779,300	0.36
16	Wilfred Koh Seng Han	2,680,000	0.34
17	Cartaban Nominees (Asing) Sdn Bhd – Exempt An for Barclays Caputal Securities Ltd (SBL/PB)	2,623,000	0.34
18	Ho Say Keng	2,570,000	0.33
19	Amsec Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Chong Fook Hin	2,000,000	0.26
20	Amsec Nominees (Asing) Sdn Bhd – James Hugh Alexander Hay (GZ0115)	1,988,000	0.25
21	Kee Hun Chang @ Kee Ah Bah	1,722,600	0.22
22	Maybank Securities Nominees (Asing) Sdn Bhd – Maybank Kim Eng Securities Pte Ltd for James Hay	1,700,000	0.22
23	Cimsec Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Tan Pue Leng (SUNWAYMAS-CL)	1,508,800	0.19
24	Cartaban Nominees (Asing) Sdn Bhd – GIC Private Limited for Monetary Authority of Singapore (H)	1,499,500	0.19
25	Victor Lim Fung Tuang	1,497,800	0.19
26	Juliana Koh Suat Lay	1,400,000	0.18
27	Citigroup Nominees (Asing) Sdn Bhd – GSI for EFL Limited	1,392,740	0.18
28	Yeo Kian Huat	1,391,700	0.18
29	Ma Pin Ling	1,370,000	0.17
30	Ngoi Leong Ee	1,350,000	0.17
	Total	**651,578,181**	**83.23**

Statement of Directors' Interests

in the Company and related corporations as at 22 September 2015

THE COMPANY

YTL Power International Berhad

Name	No. of Shares Held			
	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	21,599,262	0.30	4,284,359,386[(1)(2)]	60.41
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	14,719,213	0.21	89,000[(1)]	*
Tan Sri Datuk' Seri Dr. Aris Bin Osman @ Othman	–	–	105,590[(1)]	*
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	40,795	*	–	–
Dato' Yeoh Seok Kian	10,404,890	0.15	3,221,155[(1)]	0.05
Dato' (Dr) Yahya Bin Ismail	252,200	*	40,540[(1)]	*
Dato' Yeoh Soo Min	16,862,430	0.24	3,754,488[(1)(6)]	0.05
Dato' Yeoh Seok Hong	45,845,216	0.65	5,015,218[(1)]	0.07
Dato' Sri Michael Yeoh Sock Siong	14,055,133	0.20	2,658,052[(1)]	0.04
Dato' Yeoh Soo Keng	13,666,251	0.19	140,175[(1)]	*
Dato' Mark Yeoh Seok Kah	9,387,959	0.13	1,415,320[(1)]	0.02
Syed Abdullah Bin Syed Abd Kadir	2,381,613	0.03	550[(1)]	*

Name	No. of Warrants 2008/2018 Held			
	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	586,019,271[(4)]	74.85
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	2,100	*	–	–
Dato' Yeoh Soo Min	–	–	2,000[(1)]	*
Dato' Yeoh Soo Keng	–	–	87,054[(1)]	0.01

Name	No. of Share Options	
	Direct	Indirect
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	7,000,000	–
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	7,000,000	–
Tan Sri Datuk' Seri Dr. Aris Bin Osman @ Othman	1,000,000	–
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	1,000,000	–
Dato' Yeoh Seok Kian	5,000,000	–
Dato' (Dr) Yahya Bin Ismail	1,000,000	–
Dato' Yeoh Soo Min	3,000,000	–
Dato' Yeoh Seok Hong	–	500,000[(1)]
Dato' Sri Michael Yeoh Sock Siong	5,000,000	–
Dato' Yeoh Soo Keng	3,000,000	–
Dato' Mark Yeoh Seok Kah	5,000,000	–
Syed Abdullah Bin Syed Abd Kadir	3,000,000	–

Statement of Directors' Interests

in the Company and related corporations as at 22 September 2015

HOLDING COMPANY

YTL Corporation Berhad

	No. of Shares Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	90,561,164	0.87	5,180,207,231[(1)(3)]	49.72
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	133,001,216	1.28	–	–
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	27,850	*	–	–
Dato' Yeoh Seok Kian	55,481,889	0.53	11,352,517[(1)]	0.11
Dato' (Dr) Yahya Bin Ismail	398,000	*	482,418[(1)]	*
Dato' Yeoh Soo Min	51,797,932	0.50	1,525,605[(1)(6)]	0.01
Dato' Yeoh Seok Hong	44,535,079	0.43	23,549,759[(1)]	0.23
Dato' Sri Michael Yeoh Sock Siong	53,652,534	0.51	19,332,622[(1)]	0.19
Dato' Yeoh Soo Keng	53,916,634	0.52	758,214[(1)]	0.01
Dato' Mark Yeoh Seok Kah	20,081,152	0.19	4,005,597[(1)]	0.04
Syed Abdullah Bin Syed Abd Kadir	9,304,133	0.09	19,642[(1)]	*

	No. of Share Options	
Name	Direct	Indirect
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	7,000,000	5,000,000[(1)]
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	7,000,000	2,000,000[(1)]
Dato' Yeoh Seok Kian	5,000,000	–
Dato' (Dr) Yahya Bin Ismail	1,000,000	–
Dato' Yeoh Soo Min	5,000,000	–
Dato' Yeoh Seok Hong	5,000,000	3,000,000[(1)]
Dato' Sri Michael Yeoh Sock Siong	5,000,000	–
Dato' Yeoh Soo Keng	5,000,000	–
Dato' Mark Yeoh Seok Kah	5,000,000	–
Syed Abdullah Bin Syed Abd Kadir	1,000,000	–

ULTIMATE HOLDING COMPANY

Yeoh Tiong Lay & Sons Holdings Sdn Bhd

	No. of Shares Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	8,220,004	20.19	5,000,004[(1)]	12.28
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	5,000,000	12.28	–	–
Dato' Yeoh Seok Kian	5,000,000	12.28	–	–
Dato' Yeoh Soo Min	1,250,000	3.07	–	–
Dato' Yeoh Seok Hong	5,000,000	12.28	–	–
Dato' Sri Michael Yeoh Sock Siong	5,000,000	12.28	–	–
Dato' Yeoh Soo Keng	1,250,000	3.07	–	–
Dato' Mark Yeoh Seok Kah	5,000,000	12.28	–	–

Statement of Directors' Interests

in the Company and related corporations as at 22 September 2015

RELATED CORPORATIONS

YTL Cement Berhad

	No. of Shares Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	737,661,273(5)	99.61

YTL e-Solutions Berhad

	No. of Shares Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	999,172,000(4)	74.27
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	150,000	0.01	–	–
Dato' Yeoh Seok Kian	–	–	200,000(1)	0.01
Dato' Yeoh Soo Min	–	–	1,053,800(6)	0.08
Dato' Sri Michael Yeoh Sock Siong	-	-	1,905,500(1)	0.14
Dato' Yeoh Soo Keng	500,000	0.04	–	–
Syed Abdullah Bin Syed Abd Kadir	300,000	0.02	–	–

YTL Land & Development Berhad

	No. of Shares Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	558,976,534(4)	67.41
Dato' Yeoh Seok Kian	61,538	0.01	–	–
Dato' Yeoh Soo Min	–	–	625,582(6)	0.08
Dato' Yeoh Soo Keng	100,000	0.01	–	–

	No. of Irredeemable Convertible Unsecured Loan Stocks 2011/2021 Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	793,717,049(4)	80.03
Dato' Yeoh Seok Kian	37,000	*	–	–
Dato' Yeoh Soo Keng	60,000	0.01	–	–

Syarikat Pelancongan Seri Andalan (M) Sdn Bhd

	No. of Shares Held	
Name	Direct	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1	*
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	*

Statement of Directors' Interests
in the Company and related corporations as at 22 September 2015

YTL Corporation (UK) PLC

	No. of Shares Held	
Name	**Direct**	**%**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	*

YTL Construction (Thailand) Limited

	No. of Shares Held	
Name	**Direct**	**%**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	0.01
Dato' Yeoh Seok Kian	1	0.01
Dato' Yeoh Seok Hong	1	0.01
Dato' Sri Michael Yeoh Sock Siong	1	0.01
Dato' Mark Yeoh Seok Kah	1	0.01

Samui Hotel 2 Co. Ltd

	No. of Shares Held	
Name	**Direct**	**%**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	*
Dato' Mark Yeoh Seok Kah	1	*

* *Negligible*

(1) Deemed interests by virtue of interests held by spouse and/or children pursuant to Section 134(12)(c) of the Companies Act, 1965.

(2) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad, Cornerstone Crest Sdn Bhd and YTL Power Services Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

(3) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

(4) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd and YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.

(5) Deemed interests by virtue of interests held by YTL Corporation Berhad and YTL Power International Berhad pursuant to Section 6A of the Companies Act, 1965.

(6) Deemed interests by virtue of interests held by Tan & Yeoh Properties Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

Other than as disclosed above, none of the other Directors held any interest in shares of the company or its related corporations.

Schedule of Share Buy-Back

for the financial year ended 30 June 2015

Save as disclosed below, there were no purchases for other months during the financial year:-

Monthly Breakdown	No. of Shares Purchased And Retained As Treasury Shares	Purchase Price Per Share (RM) Lowest	Purchase Price Per Share (RM) Highest	Average Cost Per Share (RM)	Total Cost (RM)
September 2014	1,000	1.50	1.50	1.54245	1,542.45
February 2015	1,000	1.57	1.57	1.61248	1,612.48
TOTAL	**2,000**				**3,154.93**

During the financial year, all the shares purchased by the Company were retained as treasury shares. As at 30 June 2015, a total of 384,264,579 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 2015

Location	Tenure	Land Area (sq.m.)	Description and Existing Use	Built up Area (sq.m.)	Approximate Age of Building (years)	Lease Expiry Date	Net Book Value as at 30 June 2015 RM'000	Date of Acquisition
Avonmouth STW, Kings Weston Lane, Avonmouth, Bristol BS11 OYS	Freehold	394,600	Sewerage treatment works	–	–	–	525,284	21.5.2002
W-S-Mare STW, Accomodation Road, Bleadon, Weston Super Mare, BS24 OAP	Freehold	157,500	Sewerage treatment works	–	–	–	264,348	21.5.2002
Poole STW, Cabot Lane, Poole, Dorset, BH17 7BX	Freehold	91,800	Sewerage treatment works	–	–	–	245,531	21.5.2002
Claverton Down Road, Bath BA2 7WW	Freehold	27,100	Head Office, Operation Centre	5,640	14	–	166,920	21.5.2002
Maudown Water Treatment Works, Maudown, Wiveliscombe, Tauton, TA, 2UN	Freehold	68,500	Water treatment works	–	–	–	160,050	21.5.2002
Ham Lane STW, Creech St. Michael, Taunton, Somerset TA3 5NU	Freehold	120,000	Sewerage treatment works	–	–	–	147,728	21.5.2002
Trowbridge STW, Bardford Roas, Trowbridge, West Wilts, BA 14 9 AX	Freehold	60,000	Sewerage treatment works	–	–	–	137,490	21.5.2002
Sutton Bingham WTW, Sutton Bingham, Yeovil, South Somerset, BA 22 9QL	Freehold	21,000	Water treatment works	–	–	–	112,357	21.5.2002
Holdenhurst STW, Riverside Ave, Castle Lane East, Bournemouth, Dorset BH7 7ES	Freehold	102,000	Sewerage treatment works	–	–	–	76,242	21.5.2002
Shepton Mallet (Darshill) STW, Ham Lane, Ham, Shepton Mallet, Nendip, BA4 5FF	Freehold	30,950	Sewerage treatment works	–	–	–	69,230	21.5.2002

Financial Statements

Directors' Report
for the financial year ended 30 June 2015

The Directors are pleased to submit their annual report together with the audited financial statements of the Group and the Company for the financial year ended 30 June 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of administrative and technical support services. The principal activities of the subsidiaries are set out in Note 13 to the financial statements.

There have been no significant changes in the nature of the activities of the Company and the subsidiaries during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	**920,398**	**4,193,039**
Attributable to:		
– Owners of the parent	**918,812**	**4,193,039**
– Non-controlling interests	**1,586**	**–**
	920,398	**4,193,039**

DIVIDENDS

The dividend paid by the Company since the end of last financial year was as follows:

	RM'000
In respect of the financial year ended 30 June 2014:	
– Interim Single Tier dividend of 20% or 10 sen per ordinary share of 50 sen each paid on 14 November 2014	**703,431**

On 20 August 2015, the Board of Directors declared an interim single tier dividend of 20% or 10 sen per ordinary share of RM0.50 each for the financial year ended 30 June 2015. The book closure and payment dates in respect of the aforesaid dividend are 7 October 2015 and 23 October 2015, respectively.

The Directors do not recommend the payment of a final dividend for the financial year ended 30 June 2015.

Directors' Report
for the financial year ended 30 June 2015

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

SHARE CAPITAL

The issued and fully paid up share capital of the Company was increased from RM3,588,623,624 to RM3,710,824,718 following the exercise of 244,402,188 Warrants at an exercise price of RM1.14 per Warrant on the basis of one (1) new ordinary share for one (1) Warrant. The new ordinary shares of 50 sen each rank pari passu in all respects with the existing issued shares of the Company.

The total number of unexercised Warrants as at 30 June 2015 amounted to 832,198,087.

TREASURY SHARES

The shareholders of the Company, by a resolution passed in the 18th Annual General Meeting held on 25 November 2014, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

Details of treasury shares are set out in Note 23(b) to the financial statements.

EMPLOYEES SHARE OPTION SCHEME

The Employees' Share Option Scheme for employees and Directors of the Company and its subsidiaries ("ESOS") who meet the criteria of eligibility for participation is governed by the by-laws approved by the shareholders of the Company at an Extraordinary General Meeting held on 30 November 2010. The share issuance scheme was implemented on 1 April 2011. The salient features and terms of the ESOS are set out in Note 22(b) to the financial statement.

The aggregate maximum allocation of the share options granted to key management personnel is not more than fifty per cent (50%) of the fifteen per cent (15%) of the net paid up shares capital of the Company at the point of time throughout the duration of the scheme.

The actual allocation granted to key management personnel is as follows:

	Actual Allocation	
	Since 1.4.2011	Financial Year 30.6.2015
Key management personnel	6.51%*	–

* Computed based on 15% of the net paid up share capital of the Company.

Since the date of the last report, no options have been granted under the ESOS.

EMPLOYEES SHARE OPTION SCHEME (CONTINUED)

Details of options granted to non-executive directors of the Company are as follows:

	Number of share options over ordinary shares of RM0.50 each in the Company			
Name of Directors	**At 1 July 2014**	**Granted**	**Exercised**	**At 30 June 2015**
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	1,000,000	–	–	**1,000,000**
Tan Sri Datuk Dr. Aris bin Osman @ Othman	1,000,000	–	–	**1,000,000**
Dato' (Dr) Yahya bin Ismail	1,000,000	–	–	**1,000,000**

DIRECTORS

The Directors who have held office during the period since the date of the last report are as follows:

Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE
Tan Sri Datuk Dr. Aris bin Osman @ Othman
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
Dato' Yeoh Seok Kian
Dato' (Dr) Yahya bin Ismail
Dato' Yusli bin Mohamed Yusoff
Dato' Yeoh Soo Min
Dato' Yeoh Seok Hong
Dato' Sri Michael Yeoh Sock Siong
Dato' Yeoh Soo Keng
Dato' Mark Yeoh Seok Kah
Syed Abdullah bin Syed Abd. Kadir

Directors' Report
for the financial year ended 30 June 2015

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the interests of the Directors who held office at the end of the financial year in shares of the Company and its related corporations are as follows:

	Number of ordinary shares of RM0.50 each in the Company			
	At 1 July 2014	Acquired	Disposed	At 30 June 2015
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	21,399,262	–	–	**21,399,262**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	992,291	13,726,922	–	**14,719,213**
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	40,795	–	–	**40,795**
Dato' Yeoh Seok Kian	6,706,098	3,698,792	–	**10,404,890**
Dato' (Dr) Yahya bin Ismail	283,500	–	–	**283,500**
Dato' Yeoh Soo Min	13,408,430	3,454,000	–	**16,862,430**
Dato' Yeoh Seok Hong	28,885,780	11,959,436	–	**40,845,216**
Dato' Sri Michael Yeoh Sock Siong	7,981,831	6,073,302	–	**14,055,133**
Dato' Yeoh Soo Keng	8,485,865	5,180,386	–	**13,666,251**
Dato' Mark Yeoh Seok Kah	8,049,216	1,338,743	–	**9,387,959**
Syed Abdullah bin Syed Abd. Kadir	2,381,613	–	–	**2,381,613**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	4,214,556,386(1)(4)	69,825,000	(22,000)	**4,284,359,386**(1)(4)
Tan Sri Datuk Dr. Aris bin Osman @ Othman	105,590(1)	–	–	**105,590**(1)
Dato' Yeoh Seok Kian	2,037,210(1)	1,182,949	–	**3,220,159**(1)
Dato' (Dr) Yahya bin Ismail	40,540(1)	–	–	**40,540**(1)
Dato' Yeoh Soo Min	3,447,595(1)(5)	306,893	–	**3,754,488**(1)(5)
Dato' Yeoh Seok Hong	3,445,237(1)	1,571,981	(2,000)	**5,015,218**(1)
Dato' Sri Michael Yeoh Sock Siong	1,070,255(1)	1,587,797	–	**2,658,052**(1)
Dato' Yeoh Soo Keng	140,175(1)	–	–	**140,175**(1)
Dato' Mark Yeoh Seok Kah	1,148,281(1)	267,039	–	**1,415,320**(1)
Syed Abdullah bin Syed Abd. Kadir	550(1)	–	–	**550**(1)

DIRECTORS' INTERESTS (CONTINUED)

	Number of Warrants in the Company			
	At 1 July 2014	Acquired	Exercised/ Disposed	At 30 June 2015
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	6,037,432	–	(6,037,432)	–
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	13,726,922	–	(13,726,922)	–
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	2,100	–	–	**2,100**
Dato' Yeoh Seok Kian	3,698,792	–	(3,698,792)	–
Dato' Yeoh Soo Min	3,454,000	–	(3,454,000)	–
Dato' Yeoh Seok Hong	2,969,004	–	(2,969,004)	–
Dato' Sri Michael Yeoh Sock Siong	6,073,302	–	(6,073,302)	–
Dato' Yeoh Soo Keng	5,180,386	–	(5,180,386)	–
Dato' Mark Yeoh Seok Kah	1,338,743	–	(1,338,743)	–
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	519,265,210(1)(3)	69,707,061	(2,953,000)	**586,019,271**(3)
Dato' Yeoh Seok Kian	282,949(1)	–	(282,949)	–
Dato' Yeoh Soo Min	308,893(1)(5)	–	(306,893)	**2,000**(1)
Dato' Yeoh Seok Hong	1,569,981(1)	–	(1,569,981)	–
Dato' Sri Michael Yeoh Sock Siong	1,587,797(1)	–	(1,587,797)	–
Dato' Yeoh Soo Keng	87,054(1)	–	–	**87,054**(1)
Dato' Mark Yeoh Seok Kah	267,039(1)	–	(267,039)	–

	Number of share options over ordinary shares of RM0.50 each in the Company			
	At 1 July 2014	Granted	Exercised	At 30 June 2015
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	7,000,000	–	–	**7,000,000**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	7,000,000	–	–	**7,000,000**
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	1,000,000	–	–	**1,000,000**
Tan Sri Datuk Dr. Aris bin Osman @ Othman	1,000,000	–	–	**1,000,000**
Dato' Yeoh Seok Kian	5,000,000	–	–	**5,000,000**
Dato' (Dr) Yahya bin Ismail	1,000,000	–	–	**1,000,000**
Dato' Yeoh Soo Min	3,000,000	–	–	**3,000,000**
Dato' Yeoh Seok Hong	5,000,000	–	–	**5,000,000**
Dato' Sri Michael Yeoh Sock Siong	5,000,000	–	–	**5,000,000**
Dato' Yeoh Soo Keng	3,000,000	–	–	**3,000,000**
Dato' Mark Yeoh Seok Kah	5,000,000	–	–	**5,000,000**
Syed Abdullah bin Syed Abd. Kadir	3,000,000	–	–	**3,000,000**
Deemed interest				
Dato' Yeoh Seok Hong	500,000(1)	–	–	**500,000**(1)

Directors' Report

for the financial year ended 30 June 2015

DIRECTORS' INTERESTS (CONTINUED)

	Number of ordinary shares of RM0.10 each			
Immediate Holding Company YTL Corporation Berhad	**At 1 July 2014**	**Acquired**	**Disposed**	**At 30 June 2015**
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	90,561,164	–	–	**90,561,164**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	133,001,216	–	–	**133,001,216**
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	27,850	–	–	**27,850**
Dato' Yeoh Seok Kian	55,481,889	–	–	**55,481,889**
Dato' (Dr) Yahya bin Ismail	480,000	–	(82,000)	**398,000**
Dato' Yeoh Soo Min	51,797,932	–	–	**51,797,932**
Dato' Yeoh Seok Hong	44,535,079	–	–	**44,535,079**
Dato' Sri Michael Yeoh Sock Siong	53,652,534	–	–	**53,652,534**
Dato' Yeoh Soo Keng	53,916,634	–	–	**53,916,634**
Dato' Mark Yeoh Seok Kah	20,081,152	–	–	**20,081,152**
Syed Abdullah bin Syed Abd. Kadir	9,304,133	–	–	**9,304,133**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5,087,101,282[(1)(2)]	93,105,949	–	**5,180,207,231[(1)(2)]**
Dato' Yeoh Seok Kian	7,844,248[(1)]	600,000	–	**8,444,248[(1)]**
Dato' (Dr) Yahya bin Ismail	517,418[(1)]	–	(35,000)	**482,418[(1)]**
Dato' Yeoh Soo Min	1,525,605[(1)(5)]	–	–	**1,525,605[(1)(5)]**
Dato' Yeoh Seok Hong	23,549,759[(1)]	–	–	**23,549,759[(1)]**
Dato' Sri Michael Yeoh Sock Siong	19,332,622[(1)]	–	–	**19,332,622[(1)]**
Dato' Yeoh Soo Keng	758,214[(1)]	–	–	**758,214[(1)]**
Dato' Mark Yeoh Seok Kah	4,005,597[(1)]	–	–	**4,005,597[(1)]**
Syed Abdullah bin Syed Abd. Kadir	19,642[(1)]	–	–	**19,642[(1)]**

	Number of share options over ordinary shares of RM0.10 each			
Immediate Holding Company YTL Corporation Berhad	**At 1 July 2014**	**Granted**	**Exercised**	**At 30 June 2015**
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	7,000,000	–	–	**7,000,000**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	7,000,000	–	–	**7,000,000**
Dato' Yeoh Seok Kian	5,000,000	–	–	**5,000,000**
Dato' (Dr) Yahya bin Ismail	1,000,000	–	–	**1,000,000**
Dato' Yeoh Soo Min	5,000,000	–	–	**5,000,000**
Dato' Yeoh Seok Hong	5,000,000	–	–	**5,000,000**
Dato' Sri Michael Yeoh Sock Siong	5,000,000	–	–	**5,000,000**
Dato' Yeoh Soo Keng	5,000,000	–	–	**5,000,000**
Dato' Mark Yeoh Seok Kah	5,000,000	–	–	**5,000,000**
Syed Abdullah bin Syed Abd. Kadir	1,000,000	–	–	**1,000,000**

DIRECTORS' INTERESTS (CONTINUED)

Immediate Holding Company YTL Corporation Berhad	Number of share options over ordinary shares of RM0.10 each At 1 July 2014	Granted	Exercised	At 30 June 2015
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5,000,000[(1)]	–	–	**5,000,000[(1)]**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	2,000,000[(1)]	–	–	**2,000,000[(1)]**
Dato' Yeoh Seok Hong	3,000,000[(1)]	–	–	**3,000,000[(1)]**

Ultimate Holding Company Yeoh Tiong Lay & Sons Holdings Sdn. Bhd.	Number of ordinary shares of RM1.00 each At 1 July 2014	Acquired	Disposed	At 30 June 2015
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	8,220,004	–	–	**8,220,004**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	5,000,000	–	–	**5,000,000**
Dato' Yeoh Seok Kian	5,000,000	–	–	**5,000,000**
Dato' Yeoh Soo Min	1,250,000	–	–	**1,250,000**
Dato' Yeoh Seok Hong	5,000,000	–	–	**5,000,000**
Dato' Sri Michael Yeoh Sock Siong	5,000,000	–	–	**5,000,000**
Dato' Yeoh Soo Keng	1,250,000	–	–	**1,250,000**
Dato' Mark Yeoh Seok Kah	5,000,000	–	–	**5,000,000**
Deemed interest				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5,000,004[(1)]	–	–	**5,000,004[(1)]**

Related Company YTL Cement Berhad	Number of ordinary shares of RM0.50 each At 1 July 2014	Acquired	Disposed	At 30 June 2015
Deemed interest				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	737,620,570[(6)]	40,703	–	**737,661,273[(6)]**

Related Company YTL Cement Berhad	Number of Irredeemable Convertible Unsecured Loan Stocks 2005/2015 At 1 July 2014	Acquired	Converted/ Disposed	At 30 June 2015
Deemed interest				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	10,000[(7)]	6,240	(16,240)	–

Directors' Report
for the financial year ended 30 June 2015

DIRECTORS' INTERESTS (CONTINUED)

	Number of ordinary shares of RM0.10 each			
Related Company YTL e-Solutions Berhad	**At 1 July 2014**	**Acquired**	**Disposed**	**At 30 June 2015**
Direct interests				
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	150,000	–	–	**150,000**
Dato' Yeoh Soo Keng	500,000	–	–	**500,000**
Syed Abdullah bin Syed Abd. Kadir	300,000	–	–	**300,000**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	999,172,000(3)	–	–	**999,172,000(3)**
Dato' Yeoh Soo Min	1,053,800(5)	–	–	**1,053,800(5)**
Dato' Sri Michael Yeoh Sock Siong	1,905,500(1)	–	–	**1,905,500(1)**

	Number of ordinary shares of RM0.50 each			
Related Company YTL Land & Development Berhad	**At 1 July 2014**	**Acquired**	**Disposed**	**At 30 June 2015**
Direct interests				
Dato' Yeoh Seok Kian	61,538	–	–	**61,538**
Dato' Yeoh Soo Keng	100,000	–	–	**100,000**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	497,846,293(3)	61,130,241	–	**558,976,534(3)**
Dato' Yeoh Soo Min	625,582(5)	–	–	**625,582(5)**

	Number of Irredeemable Convertible Unsecured Loan Stocks 2011/2021			
Related Company YTL Land & Development Berhad	**At 1 July 2014**	**Acquired**	**Converted/ Disposed**	**At 30 June 2015**
Direct interests				
Dato' Yeoh Seok Kian	37,000	–	–	**37,000**
Dato' Yeoh Soo Keng	60,000	–	–	**60,000**
Deemed interest				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	793,717,049(3)	–	–	**793,717,049(3)**

DIRECTORS' INTERESTS (CONTINUED)

Related Company Syarikat Pelancongan Seri Andalan (M) Sdn. Bhd.	Number of ordinary shares of RM1.00 each At 1 July 2014	Acquired	Disposed	At 30 June 2015
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1	–	–	1
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	–	–	1

Related Corporation *YTL Corporation (UK) Plc.	Number of ordinary shares of £0.25 each At 1 July 2014	Acquired	Disposed	At 30 June 2015
Direct interest				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	–	–	1

Related Corporation +YTL Construction (Thailand) Limited	Number of ordinary shares of THB100 each At 1 July 2014	Acquired	Disposed	At 30 June 2015
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	–	–	1
Dato' Yeoh Seok Kian	1	–	–	1
Dato' Yeoh Seok Hong	1	–	–	1
Dato' Sri Michael Yeoh Sock Siong	1	–	–	1
Dato' Mark Yeoh Seok Kah	1	–	–	1

Related Corporation +Samui Hotel 2 Co., Ltd.	Number of ordinary shares of THB10 each At 1 July 2014	Acquired	Disposed	At 30 June 2015
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	–	–	1
Dato' Mark Yeoh Seok Kah	1	–	–	1

* Incorporated in England and Wales.
\+ Incorporated in Thailand.

DIRECTORS' INTERESTS (CONTINUED)

(1) Deemed interests by virtue of interests held by spouse and/or children pursuant to Section 134(12)(c) of the Companies Act, 1965.

(2) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

(3) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn. Bhd. and YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.

(4) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn. Bhd., YTL Corporation Berhad, YTL Power Services Sdn. Bhd. and Cornerstone Crest Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

(5) Deemed interests by virtue of interests held by Tan & Yeoh Properties Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

(6) Deemed interests by virtue of interests held by YTL Corporation Berhad and YTL Power International Berhad pursuant to Section 6A of the Companies Act, 1965.

(7) Deemed interests by virtue of interests held by YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.

Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay, by virtue of his interests in the shares of the Company, is deemed under Section 6A of the Companies Act, 1965 to have interests in the shares of the subsidiaries of the Company to the extent that the Company has interests.

Other than as disclosed above, the Directors who held office at the end of the financial year did not have interests in shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration disclosed in Note 7 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest except that certain Directors received remuneration from the Company's related corporations.

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other corporate body, other than the ESOS.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements, statements of comprehensive income and statements of financial position were made out, the Directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for impairment of receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(a) which would render the amounts impaired for receivables or the amount of the impairment of receivables in the financial statements of the Group and the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

No contingent 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, in the opinion of the Directors, will or may affect the ability of the Group and the Company to meet its obligations when they fall due.

At this date of this report, there does not exist:

(a) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and the Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

(a) the results of the Group and Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

Directors' Report
for the financial year ended 30 June 2015

ULTIMATE HOLDING COMPANY

The Directors regard Yeoh Tiong Lay & Sons Holdings Sdn. Bhd., a company incorporated in Malaysia, as the Company's ultimate holding company.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 9 October 2015.

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

Dato' Yeoh Seok Hong
Director

Income Statements

for the financial year ended 30 June 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Revenue	5	**11,858,093**	14,436,606	**9,268,411**	1,839,920
Cost of sales		**(9,527,011)**	(11,918,457)	**–**	–
Gross profit		**2,331,082**	2,518,149	**9,268,411**	1,839,920
Other operating income		**152,057**	39,447	**14,962**	1,053
Administrative expenses		**(576,563)**	(576,865)	**(43,023)**	(40,314)
Other operating expenses		**(125,537)**	(307,983)	**(4,838,497)**	(32,808)
Finance cost		**(821,439)**	(796,027)	**(207,980)**	(183,249)
Share of profits of investments accounted for using the equity method	14	**287,592**	249,873	**–**	–
Profit before taxation	7	**1,247,192**	1,126,594	**4,193,873**	1,584,602
Taxation	8	**(326,794)**	82,153	**(834)**	(226,027)
Profit for the financial year		**920,398**	1,208,747	**4,193,039**	1,358,575
Attributable to:					
– Owners of the parent		**918,812**	1,202,414	**4,193,039**	1,358,575
– Non-controlling interests		**1,586**	6,333	**–**	–
		920,398	1,208,747	**4,193,039**	1,358,575

	Note	Group 2015	Group 2014
Earnings per share for profit attributable to the owners of the parent:			
– Basic (sen)	9	**13.20**	18.30
– Diluted (sen)	9	**12.78**	17.35

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

Statements of Comprehensive Income

for the financial year ended 30 June 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Profit for the financial year		**920,398**	1,208,747	**4,193,039**	1,358,575
Other comprehensive (loss)/income:					
Items that will not be reclassified subsequently to income statement:					
– remeasurement of post-employment benefit obligations		**(103,885)**	51,679	–	–
Items that may be reclassified subsequently to income statement:					
– available-for-sale financial assets	23(a)	**33,473**	46,537	**33,472**	46,534
– cash flow hedges	23(a)	**(344,103)**	19,138	–	–
– currency translation differences		**957,755**	531,290	–	–
Other comprehensive income for the financial year, net of tax		**543,240**	648,644	**33,472**	46,534
Total comprehensive income for the financial year		**1,463,638**	1,857,391	**4,226,511**	1,405,109
Attributable to:					
– Owners of the parent		**1,372,998**	1,846,070	**4,226,511**	1,405,109
– Non-controlling interests		**90,640**	11,321	–	–
		1,463,638	1,857,391	**4,226,511**	1,405,109

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

Statements of Financial Position

as at 30 June 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	**21,204,672**	19,323,668	**706**	878
Intangible assets	12	**7,580,688**	6,864,070	**–**	–
Investment in subsidiaries	13	**–**	–	**15,926,095**	11,771,629
Investments accounted for using the equity method	14	**1,807,837**	1,599,869	**5**	5
Investments	15	**276,418**	242,517	**271,158**	237,686
Derivative financial instruments	18	**41,278**	17,315	**–**	–
Receivables, deposits and prepayments	16	**299,199**	614,884	**–**	–
		31,210,092	28,662,323	**16,197,964**	12,010,198
Current assets					
Inventories	17	**440,418**	449,081	**–**	–
Receivables, deposits and prepayments	16	**2,292,926**	1,983,674	**2,712**	5,014
Derivative financial instruments	18	**84,903**	30,590	**–**	–
Amounts owing by immediate holding company and ultimate holding company	19	**111**	4	**–**	–
Amounts owing by subsidiaries	20	**–**	–	**1,789,609**	432,770
Amounts owing by fellow subsidiaries	31	**1,012**	1,199	**–**	–
Cash and bank balances	21	**9,608,348**	8,958,235	**609,640**	247,491
		12,427,718	11,422,783	**2,401,961**	685,275
TOTAL ASSETS		**43,637,810**	40,085,106	**18,599,925**	12,695,473

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

Statements of Financial Position
as at 30 June 2015

		Group		Company	
		2015	2014	2015	2014
	Note	RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	22	**3,710,825**	3,588,624	**3,710,825**	3,588,624
Reserves		**7,682,862**	6,850,870	**8,981,469**	5,294,901
Equity attributable to owners of the parent		**11,393,687**	10,439,494	**12,692,294**	8,883,525
Non-controlling interests		**235,008**	244,231	**–**	–
TOTAL EQUITY		**11,628,695**	10,683,725	**12,692,294**	8,883,525
LIABILITIES					
Non-current liabilities					
Deferred taxation	24	**2,105,425**	1,958,946	**68**	72
Borrowings	25	**23,417,355**	21,457,360	**5,509,760**	3,747,156
Post-employment benefit obligations	26	**743,365**	553,780	**–**	–
Grants and contributions	27	**413,485**	347,207	**–**	–
Derivative financial instruments	18	**133,296**	8,946	**–**	–
Payables	28	**672,912**	480,045	**–**	–
		27,485,838	24,806,284	**5,509,828**	3,747,228
Current liabilities					
Payables and accrued expenses	29	**2,072,902**	2,107,131	**60,171**	50,345
Derivative financial instruments	18	**304,263**	20,327	**–**	–
Provision for liabilities and charges	30	**40,617**	27,264	**–**	–
Post-employment benefit obligations	26	**2,023**	1,801	**275**	250
Amounts owing to immediate holding company and ultimate holding company	19	**247**	222	**4**	4
Amounts owing to subsidiaries	20	**–**	–	**336,844**	13,724
Amounts owing to fellow subsidiaries	31	**54,547**	148,058	**509**	10
Taxation		**138,263**	227,375	**–**	387
Borrowings	25	**1,910,415**	2,062,919	**–**	–
		4,523,277	4,595,097	**397,803**	64,720
TOTAL LIABILITIES		**32,009,115**	29,401,381	**5,907,631**	3,811,948
TOTAL EQUITY AND LIABILITIES		**43,637,810**	40,085,106	**18,599,925**	12,695,473

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

Consolidated Statement of Changes in Equity

for the financial year ended 30 June 2015

		<------- Attributable to Owners of the Parent ------->									
Group	Note	Share Capital (Note 22) RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Reserve RM'000	Other Reserves (Note 23(a)) RM'000	Treasury Shares (Note 23(b)) RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 July 2014		3,588,624	2,106,551	(2,138,533)	(661,744)	367,401	(711,301)	7,888,496	10,439,494	244,231	10,683,725
Profit for the financial year		–	–	–	–	–	–	918,812	918,812	1,586	920,398
Other comprehensive income for the financial year		–	–	–	868,701	(310,630)	–	(103,885)	454,186	89,054	543,240
Total comprehensive income for the financial year		–	–	–	868,701	(310,630)	–	814,927	1,372,998	90,640	1,463,638
Transactions with owners											
Effects arising from changes in composition of the Group		–	–	–	–	–	–	(1,063)	(1,063)	13,978	12,915
Exercise of warrants	22	122,201	156,417	–	–	–	–	–	278,618	–	278,618
Warrant reserve	23(a)	–	24,440	–	–	(24,440)	–	–	–	–	–
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	–	(113,841)	(113,841)
Interim dividend paid for the financial year ended 30 June 2014	10	–	–	–	–	–	–	(703,431)	(703,431)	–	(703,431)
Share option expenses	23(a)	–	–	–	–	7,074	–	–	7,074	–	7,074
Share option lapsed	23(a)	–	–	–	–	(22)	–	22	–	–	–
Share repurchased	23(b)	–	–	–	–	–	(3)	–	(3)	–	(3)
Exchange differences	23(a)	–	–	–	13,729	(13,729)	–	–	–	–	–
At 30 June 2015		3,710,825	2,287,408	(2,138,533)	220,686	25,654	(711,304)	7,998,951	11,393,687	235,008	11,628,695

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

Consolidated Statement of Changes in Equity

for the financial year ended 30 June 2015

Group	Note	Share Capital (Note 22) RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Reserve RM'000	Other Reserves (Note 23(a)) RM'000	Treasury Shares (Note 23(b)) RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
		<---------- Attributable to Owners of the Parent							---------->		
At 1 July 2013		3,669,034	3,045,330	(2,138,533)	(1,189,697)	178,684	(390,148)	6,634,403	9,809,073	284,912	10,093,985
Profit for the financial year		–	–	–	–	–	–	1,202,414	1,202,414	6,333	1,208,747
Other comprehensive income for the financial year		–	–	–	526,302	65,675	–	51,679	643,656	4,988	648,644
Total comprehensive income for the financial year		–	–	–	526,302	65,675	–	1,254,093	1,846,070	11,321	1,857,391
Transactions with owners											
Goodwill impairment		–	–	–	–	–	–	–	–	5,290	5,290
Exercise of warrants	22	44,590	63,317	–	–	–	–	–	107,907	–	107,907
Warrant reserve	23(a)	–	8,917	–	–	(8,917)	–	–	–	–	–
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	–	(57,292)	(57,292)
Share option expenses	23(a)	–	–	–	–	8,610	–	–	8,610	–	8,610
Share repurchased	23(b)	–	–	–	–	–	(1,332,166)	–	(1,332,166)	–	(1,332,166)
Cancellation of shares	23(b)	(125,000)	(412,250)	–	–	125,000	412,250	–	–	–	–
Share dividend	22(a)	–	(598,763)	–	–	–	598,763	–	–	–	–
Exchange differences	23(a)	–	–	–	1,651	(1,651)	–	–	–	–	–
At 30 June 2014		3,588,624	2,106,551	(2,138,533)	(661,744)	367,401	(711,301)	7,888,496	10,439,494	244,231	10,683,725

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

Company Statement of Changes in Equity

for the financial year ended 30 June 2015

Company	Note	Share Capital (Note 22) RM'000	Share Premium RM'000	Other Reserves (Note 23(a)) RM'000	Treasury Shares (Note 23(b)) RM'000	Retained Earnings RM'000	Total RM'000
At 1 July 2014		**3,588,624**	**2,106,551**	**350,825**	**(711,301)**	**3,548,826**	**8,883,525**
Profit for the financial year		–	–	–	–	**4,193,039**	**4,193,039**
Other comprehensive income for the financial year		–	–	**33,472**	–	–	**33,472**
Total comprehensive income for the financial year		–	–	**33,472**	–	**4,193,039**	**4,226,511**
Transactions with owners							
Exercise of warrants	22	**122,201**	**156,417**	–	–	–	**278,618**
Warrant reserve	23(a)	–	**24,440**	**(24,440)**	–	–	–
Interim dividend paid for the financial year ended 30 June 2014	10	–	–	–	–	**(703,431)**	**(703,431)**
Share option expenses	23(a)	–	–	**7,074**	–	–	**7,074**
Share option lapsed	23(a)	–	–	**(22)**	–	**22**	–
Share repurchased	23(b)	–	–	–	**(3)**	–	**(3)**
At 30 June 2015		**3,710,825**	**2,287,408**	**366,909**	**(711,304)**	**7,038,456**	**12,692,294**
At 1 July 2013		3,669,034	3,045,330	179,598	(390,148)	2,190,251	8,694,065
Profit for the financial year		–	–	–	–	1,358,575	1,358,575
Other comprehensive income for the financial year		–	–	46,534	–	–	46,534
Total comprehensive income for the financial year		–	–	46,534	–	1,358,575	1,405,109
Transactions with owners							
Exercise of warrants	22	44,590	63,317	–	–	–	107,907
Warrant reserve	23(a)	–	8,917	(8,917)	–	–	–
Share option expenses	23(a)	–	–	8,610	–	–	8,610
Share repurchased	23(b)	–	–	–	(1,332,166)	–	(1,332,166)
Cancellation of shares	23(b)	(125,000)	(412,250)	125,000	412,250	–	–
Share dividend	22(a)	–	(598,763)	–	598,763	–	–
At 30 June 2014		3,588,624	2,106,551	350,825	(711,301)	3,548,826	8,883,525

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

Statements of Cash Flows

for the financial year ended 30 June 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Cash flows from operating activities					
Profit for the financial year		**920,398**	1,208,747	**4,193,039**	1,358,575
Adjustments for:					
Allowance for impairment of associates		**–**	23,938	**–**	–
Allowance for impairment of intangible assets		**–**	13,224	**–**	–
Allowance for/(Write back of) impairment of inventories		**1,474**	(1,186)	**–**	–
Allowance for impairment of property, plant and equipment		**524**	54,695	**–**	–
Allowance for impairment of receivables (net of reversals)		**68,868**	119,693	**–**	–
Allowance for impairment of subsidiaries		**–**	–	**4,817,533**	–
Amortisation of deferred income		**(4,142)**	(3,399)	**–**	–
Amortisation of grants and contributions		**(10,042)**	(9,757)	**–**	–
Amortisation of intangible assets		**71,981**	47,776	**–**	–
Bad debts written-off		**5,684**	20	**–**	–
Depreciation of property, plant and equipment		**1,379,364**	1,264,726	**126**	144
Dividend in specie		**–**	–	**(8,672,298)**	–
Fair value changes in derivatives		**(3,717)**	2,640	**–**	–
Gain on redemption of investment in loan stock		**–**	(768)	**–**	–
Ineffective portion on cash flow hedges		**–**	(2,290)	**–**	–
Interest expense		**821,439**	796,027	**207,980**	183,249
Interest income		**(26,126)**	(23,092)	**–**	–
Net gain on disposal of property, plant and equipment		**(26,690)**	(3,625)	**(16)**	–
Property, plant and equipment written off		**14,141**	11,414	**–**	–
Provision for post-employment benefit		**66,780**	61,197	**–**	–
Provision for liabilities and charges		**12,050**	2,542	**–**	–
Share of profits of investments accounted for using the equity method		**(287,592)**	(249,873)	**–**	–
Share option expenses		**7,171**	8,650	**1,539**	1,693
Taxation		**326,794**	(82,153)	**834**	226,027
Unrealised (gain)/loss on foreign exchange		**(11,321)**	76,197	**(15,020)**	(4)
Write back of fuel cost		**(9,949)**	(559)	**–**	–
		3,317,089	3,314,784	**533,717**	1,769,684

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

Statements of Cash Flows

for the financial year ended 30 June 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Changes in working capital:					
Inventories		**51,737**	48,628	**–**	–
Receivables, deposits and prepayments		**69,573**	236,346	**2,326**	(1,302)
Payables and accrued expenses		**(167,584)**	(429,676)	**(1,544)**	(1,754)
Subsidiaries		**–**	–	**(124,873)**	(54,334)
Fellow subsidiaries		**(93,532)**	76,377	**499**	(396)
Holding company		**(180)**	146	**(3)**	6
Cash flows from operations		**3,177,103**	3,246,605	**410,122**	1,711,904
Interest paid		**(740,127)**	(663,851)	**(190,899)**	(181,735)
Payment for provision and liabilities		**(5,010)**	(1,298)	**–**	–
Payment to retirement benefit schemes		**(99,251)**	(98,663)	**–**	–
Tax paid		**(450,853)**	(329,930)	**(1,247)**	(226,068)
Net cash flows from operating activities		**1,881,862**	2,152,863	**217,976**	1,304,101
Cash flows from investing activities					
Acquisition of subsidiaries		**(66,523)**	–	**–**	–
Additional investments accounted for using the equity method		**(13,674)**	(8,101)	**–**	–
Additional investments		**–**	(35)	**–**	–
Dividends received		**290,470**	300,349	**–**	–
Grants received		**41,900**	33,766	**–**	–
Interest received		**16,237**	21,323	**–**	–
Net (advances)/repayment to subsidiaries		**–**	–	**(1,159,573)**	50,511
Proceeds from disposal of investments		**–**	194	**–**	–
Proceeds from disposal of property, plant and equipment		**80,436**	61,496	**374**	–
Proceeds from redemption of investment in loan stock		**–**	55,635	**–**	–
Purchase of intangible assets		**(114,944)**	(74,308)	**–**	–
Purchase of property, plant and equipment		**(1,569,799)**	(1,467,745)	**(312)**	(15)
Net cash flows (used in)/from investing activities		**(1,335,897)**	(1,077,426)	**(1,159,511)**	50,496

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

Statements of Cash Flows

for the financial year ended 30 June 2015

		Group		Company	
	Note	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash flows from financing activities					
Dividend paid		**(703,431)**	–	**(703,431)**	–
Dividends paid to non-controlling interests		**(113,841)**	(57,292)	–	–
Proceeds from borrowings		**2,855,235**	241,423	**1,728,500**	–
Proceeds from issue of shares		**278,618**	107,907	**278,618**	107,907
Repayment of borrowings		**(2,901,941)**	(1,025,614)	–	(550,000)
Repurchase of own shares		**(3)**	(1,332,166)	**(3)**	(1,332,166)
Net cash flows (used in)/from financing activities		**(585,363)**	(2,065,742)	**1,303,684**	(1,774,259)
Net changes in cash and cash equivalents		**(39,398)**	(990,305)	**362,149**	(419,662)
Effects of exchange rate changes		**671,713**	329,094	–	–
Cash and cash equivalents:					
– At beginning of the financial year		**8,890,923**	9,552,134	**247,491**	667,153
– At end of the financial year	21	**9,523,238**	8,890,923	**609,640**	247,491

The principal non-cash transactions of property, plant and equipment are disclosed as below:

Finance lease	–	57,793	–	–
Provision for liabilities	–	25,000	–	–
Transfer from prepayments	**31,823**	–	–	–
Transfer of assets from customers	**138,856**	264,835	–	–
Other payables and accrued expenses	**(13,143)**	49,639	–	–
	157,536	397,267	–	–

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

Notes to the Financial Statements

for the financial year ended 30 June 2015

1. GENERAL INFORMATION

The principal activities of the Company are investment holding and the provision of administrative and technical support services. The principal activities of the subsidiaries are set out in Note 13 to the financial statements.

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

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is as follows:

11th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur

The address of the principal place of business of the Company is as follows:

7th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur

2. BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared under the historical cost convention except as disclosed in Note 3 to the financial statements.

The financial statements of the Group and the Company have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ('MFRS'), International Financial Reporting Standards and the requirements of the Companies Act,1965 in Malaysia.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires the Directors to exercise their judgments in the process of applying the Company's accounting policies. Although these estimates and assumptions are based on Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except as otherwise indicated.

2. BASIS OF PREPARATION (CONTINUED)

(a) Standards, amendments to published standards and interpretation that are effective for the Group and the Company's financial year beginning on or after 1 July 2014 are as follows:

MFRS, Amendments to MFRS and Interpretations	Effective for financial periods beginning on or after
• Amendments to MFRS 10, MFRS 12 and MFRS 127 'Investment Entities'	1 January 2014
• Amendment to MFRS 132 'Offsetting Financial Assets and Financial Liabilities'	1 January 2014
• Amendment to MFRS 136 'Recoverable Amount Disclosures for Non-Financial Assets'	1 January 2014
• Amendment to MFRS 139 'Novation of Derivatives and Continuation of Hedge Accounting'	1 January 2014
• IC Interpretation 21 'Levies'	1 January 2014
• Amendment to MFRS 2 'Definition of Vesting Condition'	1 July 2014
• Amendment to MFRS 3 'Accounting for Contingent Consideration in a Business Combination'	1 July 2014
• Amendment to MFRS 8 'Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' assets to the Entity's Assets'	1 July 2014
• Amendment to MFRS 13 'Scope of Portfolio Exception'	1 July 2014
• Amendment to MFRS 116 'Revaluation Method-Proportionate Restatement of Accumulated Depreciation'	1 July 2014
• Amendment to MFRS 119 'Defined Benefits Plans: Employee Contributions'	1 July 2014
• Amendment to MFRS 124 'Key Management Personnel'	1 July 2014
• Amendment to MFRS 138 'Revaluation Method-Proportionate Restatement of Accumulated Amortisation'	1 July 2014

The adoption of these MFRSs, amendments to MFRSs and interpretations did not have any significant financial impact to the Group and the Company.

(b) Standards and amendments to published standards that are applicable to the Group and the Company but not yet effective

(i) Financial year beginning on/after 1 July 2016

- Amendment to MFRS 5, 'Non-current Assets Held for Sale and Discontinued Operations' (effective 1 January 2016) introduce specific guidance in MFRS 5 for when an entity reclassifies an asset (or disposal group) from held-for-sale to held-for-distribution to owners (or vice versa), or when held-for-distribution is discontinued.

- Amendment to MFRS 7, 'Financial Instruments: Disclosures' (effective 1 January 2016) provide additional guidance to clarify whether servicing contracts constitute continuing involvement for the purposes of applying the disclosure requirements of MFRS 7 and clarify the applicability of Disclosure–Offsetting Financial Assets and Financial Liabilities (Amendments to MFRS 7) to condensed interim financial statements.

2. BASIS OF PREPARATION (CONTINUED)

(b) Standards and amendments to published standards that are applicable to the Group and the Company but not yet effective (continued)

(i) Financial year beginning on/after 1 July 2016 (continued)

- Amendments to MFRS 10 and MFRS 128, 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture' (effective from 1 January 2016) resolve a current inconsistency between MFRS 10 and MFRS 128. The accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business'. Full gain or loss shall be recognised by the investor where the non-monetary assets constitute a 'business'. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor to the extent of the other investors' interests. The amendments will only apply when an investor sells or contributes assets to its associate or joint venture. They are not intended to address accounting for the sale or contribution of assets by an investor in a joint operation.

- Amendments to MFRS 10, MFRS 12 and MFRS 128, 'Investment Entities: Applying the Consolidation Exception' (effective 1 January 2016) addresses issues that have arisen in the context of applying the consolidation exception for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards, clarifying the exemption from preparing consolidated financial statements for an intermediate parent entity, a subsidiary providing services that relate to the parent's investment activities, application of the equity method by a non-investment entity investor to an investment entity investee and the disclosures required.

- Amendment to MFRS 11, 'Accounting for Acquisitions of Interests in Joint Operations' (effective 1 January 2016) clarifies that when an entity acquires interest in joint operation in which the activity of the joint operation constitutes a business as defined by MFRS 3 Business Combinations, it shall apply the relevant principles on business combinations accounting in MFRS 3 and other MFRSs, that do not conflict with MFRS 11. The amendments are applicable to both the acquisition of the initial interest in a joint operation and the acquisition of additional interest in the same joint operation. However, a previously held interest is not re-measured when the acquisition of an additional interest in the same joint operation results in retaining joint control.

- Amendment to MFRS 101, 'Presentation of Financial Statements: Disclosure Initiative' (effective 1 January 2016) aim to improve the effectiveness of disclosures and are designed to encourage companies to apply professional judgment in determining the information to be disclosed in the financial statements.

- Amendments to MFRS 116 'Property, plant and equipment' and MFRS 138 'Intangible assets' (effective from 1 January 2016) clarify that the use of revenue-based methods to calculate the depreciation and amortisation of an item of property, plant and equipment and intangible are not appropriate. This is because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

  The amendments to MFRS 138 also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption can be overcome only in the limited circumstances where the intangible asset is expressed as a measure of revenue or where it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

2. BASIS OF PREPARATION (CONTINUED)

(b) Standards and amendments to published standards that are applicable to the Group and the Company but not yet effective (continued)

(i) Financial year beginning on/after 1 July 2016 (continued)

- Amendment to MFRS 119, 'Employee Benefits' (effective 1 January 2016) clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. The amendment also clarifies that the depth of the market for high quality corporate bonds should be assessed at a currency level.

- Amendment to MFRS 127, 'Consolidated and Separate Financial Statements: Equity Method in Separate Financial Statements' (effective 1 January 2016) allow a parent and investors to use the equity method in its separate financial statement to account for investments in subsidiaries, joint ventures and associates, in addition to the existing options.

- Amendment to MFRS 134, 'Interim Financial Reporting' (effective 1 January 2016) clarifies the meaning of disclosure of information 'elsewhere in the interim financial report' as used in MFRS 134. The amendment requires such disclosures to be given either in the interim financial statements or incorporated by cross-reference from the interim financial statements to some other statement that is available to users of the financial statements on the same terms as the interim financial statements and at the same time.

(ii) Financial year beginning on/after 1 July 2018

- MFRS 15 'Revenue from contracts with customers' (effective from 1 January 2018) deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

  Revenue is recognised when a customer obtains control of a goods or services and thus has the ability to direct the use and obtain the benefits from the goods or services. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

- MFRS 9 'Financial Instruments' (effective from 1 January 2018) will replace MFRS 139 "Financial Instruments: Recognition and Measurement". The complete version of MFRS 9 was issued in November 2014.

  MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income ("OCI"). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

2. BASIS OF PREPARATION (CONTINUED)

(b) Standards and amendments to published standards that are applicable to the Group and the Company but not yet effective (continued)

(ii) Financial year beginning on/after 1 July 2018 (continued)

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

There is now a new expected credit losses model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The Group and the Company have started a preliminary assessment on the effects of the above standards and amendments to published standards and the impact is still being assessed.

3. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

(a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Cost also includes borrowing costs incurred for assets under construction. The cost of certain property, plant and equipment includes the costs of dismantling, removal and restoration, the obligation which was incurred as a consequence of installing the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Where items of property, plant and equipment are transferred to the Group from customers/developers, the fair value of the assets transferred is recognised as property, plant and equipment in the Statement of Financial Position. Where the transfer is exchanged for connection to the network and no further obligation is required, the corresponding credit is revenue. Where the transfer is linked to the provision of ongoing services, the corresponding entry is deferred income as disclosed in Note 28 and released to the Income Statement over the expected useful lives of the assets.

Infrastructure assets comprise a network of system of mains and sewers, impounding and pumped raw water storage reservoirs, dams, sludge pipelines, sea outfalls and infrastructure investigations and studies. It is amortised in equal instalments over a period of one hundred and eight (108) years. Freehold land is not depreciated as it has an infinite life.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Property, plant and equipment (continued)

All other property, plant and equipment are depreciated on a straight line basis to write off the cost of each asset to its residual value over its estimated years of useful lives, summarised as follows:

	Years
Buildings	10 – 50
Plant and machinery	3 – 30
Mains and lines	20
Office equipment	3 – 10
Computers	3 – 5
Furniture and fittings	3 – 10
Motor vehicles and aircraft	5 – 10
Telecommunications equipment	5 – 25

Assets under construction are stated at cost and are not depreciated. Upon completion, assets under construction are transferred to categories of property, plant and equipment depending on nature of assets. Depreciation on property, plant and equipment under construction commences when the property, plant and equipment are ready for their intended use. Depreciation of property, plant and equipment ceases at the earlier of derecognition and classification as held-for-sale.

At each reporting date, the Group and the Company assess whether there is any indication of impairment. If such indication exists, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amounts exceed the recoverable amounts. See accounting policy Note 3(d) to the financial statements on impairment of non-financial assets.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the Income Statement.

(b) Leases

(i) Accounting by lessee

Finance lease

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

The asset is treated as if they had been purchased and the corresponding capital cost is shown as an obligation. Leasing payments are treated as consisting of a capital element and finance costs, the capital element reducing the obligation to the lessor and the finance charge being charged to the Income Statement over the period of the lease in reducing amounts in a constant rate in relation to the outstanding obligation.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Leases (continued)

(i) Accounting by lessee (continued)

Operating lease

Leases of assets where significant portion of the risks and rewards of ownership is retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Income Statement on a straight line basis over the lease period.

When an operating lease is terminated before the lease period expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial period is which termination takes place.

(ii) Accounting by lessor

Operating lease

Assets leased out under operating leases are included in property, plant and equipment in the Statement of Financial Position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Lease income (net of any incentives given to lessees) is recognised on the straight line basis over the lease term.

(c) Intangible assets

(i) Intangible assets – Customer acquisition costs

Customer acquisition costs pertains to commission payment made to a dealer intermediary as consideration for signing up a new customer and the expenditures incurred in providing the customer a free or subsidised device, provided the customer signs a non-cancellable contract for a predetermined contractual period, are capitalised as intangible assets and amortised over the contractual period on a straight line method. Customer acquisition costs are assessed at each reporting date whether there is any indication that the customer acquisition costs may be impaired. See accounting policy Note 3(d) to the financial statements on impairment of non-financial assets.

(ii) Intangible assets – Goodwill

Goodwill arises on the acquisitions of subsidiaries and it represents the excess of the cost of the acquisition over the Group's share in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree at the date of acquisition. If the fair value of consideration transferred, the amount of non-controlling interest and the fair value of previously held interest in the acquiree are less than the fair value of the net identifiable assets of the acquiree, the resulting gain is recognised in the profit or loss.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill acquired in a business combination is allocated to cash-generating units for the purpose of impairment testing and is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value-in-use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed. See accounting policy Note 3(d) to the financial statements on impairment of non-financial assets.

Notes to the Financial Statements
for the financial year ended 30 June 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or as and when events or circumstances occur indicating that impairment may exist. Assets that are subject to amortisation are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment is charged to the Income Statement unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. In respect of these assets, any subsequent increase in recoverable amount is recognised in the Income Statement unless it reverses impairment on a revalued asset in which case it is taken to revaluation surplus.

(e) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Subsidiaries are consolidated using the acquisition method of accounting except for subsidiaries that were consolidated prior to 1 July 2002 in accordance with Malaysian Accounting Standard 2 'Accounting for Acquisitions and Mergers', the generally accepted accounting principles prevailing at that time.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets as of the date of disposal including the cumulative amount of any exchange differences that relate to the subsidiaries is recognised in the Income Statement.

(i) Acquisition method

Under the acquisition method of accounting, subsidiaries are fully consolidated from the date of which control is transferred to the Group and are deconsolidated from the date that control ceased. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Subsidiaries (continued)

(i) Acquisition method (continued)

The excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed is recorded as goodwill. If this consideration is lower than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the gain is recognised in the Income Statement (refer to significant accounting policies Note 3 (c) (ii) on goodwill).

(ii) Merger method

Acquisition of a subsidiary, YTL Power Generation Sdn. Bhd., was accounted for using merger accounting principles.

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been effected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between the carrying values of the investment in the subsidiary over the nominal value of the shares acquired is taken to merger reserve.

On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any share premium, capital redemption reserve and any other reserves which are attributable to share capital of the merged enterprises, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other capital reserves.

(iii) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iv) Change in control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other component of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the Income Statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(f) Associates

Associates are entities in which the Group exercises significant influence, but which it does not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not control over those policies.

Investments in associates are accounted for in the consolidated financial statements by using the equity method of accounting and are initially recognised at cost. The Group's investments in associates include goodwill identified on acquisition, net of any accumulated impairment loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Associates (continued)

The Group's share of post-acquisition profit or loss is recognised in the Income Statement and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying value of investment. When the Group's share of losses in the associates equals or exceeds its interest in the associates, including any other unsecured obligations, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates.

The results of associates are taken from the most recent financial statements of the associates' concerned, made up to dates not more than three months prior to the end of the financial year of the Group.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of associates used for equity accounting purposes to ensure consistency of accounting policies with those of the Group.

(g) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint ventures have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

Joint ventures

The Group's interest in a joint venture is accounted for in the financial statements by the equity method of accounting. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of joint ventures used for equity accounting purposes to ensure consistency of accounting policies with those of the Group.

(h) Investments in subsidiaries, joint arrangements and associates

Investments in subsidiaries, joint arrangements and associates are stated at cost less accumulated impairment losses if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Development expenditure

Development expenditure is generally expensed when incurred otherwise it is capitalised when it meets certain criteria that indicate that it is probable that the costs will give rise to future economic benefits and are amortised over the period of the projects. They are written down to their recoverable amounts when there is insufficient certainty that future economic benefit will flow to the enterprise.

(j) Trade and other receivables

Trade receivables are amount due from customers for which services are performed in ordinary course of business. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest methods less provision for impairment if any.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Inventories comprise primarily of raw material, work-in-progress, fuel and spare parts. The cost of work-in-progress comprises raw materials, direct labour, other direct costs and related overheads. It excludes borrowing costs. Fuel and diesel oil held for generation of electricity are not written down below cost if the electricity generated is expected to obtain a gross margin at or above cost. Cost for this purpose includes the applicable costs required to enable the fuel and diesel oil to be used for the generation of electricity.

Inventories for oil trading are acquired with the purpose of selling in the near future and generating a profit from fluctuations in price. These are at fair value less costs to sell, with changes in fair value less costs to sell recognised in the Income Statement in the period of change.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

(l) Financial assets and financial liabilities

Financial assets

(i) Classification

Financial assets are classified in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. Management determines the classification of its financial assets at initial recognition based on the nature of the asset and the purpose for which the asset was acquired.

(a) Financial Assets at Fair Value through Profit or Loss ('FVTPL')

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if it was acquired principally for the purpose of selling. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

To reduce the accounting mismatch, the fair value option is applied to investments that include embedded derivatives.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial assets and financial liabilities (continued)

Financial assets (continued)

(i) Classification (continued)

(b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting date. These are classified as non-current assets. The Group and the Company's loans and receivables comprise non-current receivables, receivables, deposits and cash and bank balances in the Statement of Financial Position.

When loans and receivables are impaired, the carrying amount of the asset is reduced and the amount of the loss is recognised in the Income Statement.

(c) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months from the end of the reporting date.

(ii) Measurement

(a) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group and the Company commit to purchase or sell the assets.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Income Statement.

(b) Subsequent measurement – Gains and losses

Changes in the fair values of financial assets at fair value through profit or loss, including the effects of currency translation, interest and dividend income are recognised in the Income Statement in the financial period in which the changes arise.

Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary assets. The exchange differences on monetary assets are recognised in the Income Statement, whereas exchange differences on non-monetary assets are recognised in other comprehensive income as part of fair value change.

Interest and dividend income on available-for-sale financial assets are recognised separately in the Income Statement. Interest on available-for-sale debt securities calculated using the effective interest method is recognised in the Income Statement. Dividend income on available-for-sale equity instruments are recognised in the Income Statement when the Group and the Company's right to receive payments is established.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial assets and financial liabilities (continued)

Financial assets (continued)

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expires or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the Income Statement.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

(v) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

(a) Assets carried at amortised cost

A financial asset or a group of financial assets is impaired and impairment is incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the Income Statement.

(b) Assets classified as available-for-sale

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is taken as evidence that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment on that financial asset previously recognised in Income Statement - is removed from equity and recognised in the Income Statement. Impairment recognised in the Income Statement on equity instruments is not reversed through Income Statement.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial assets and financial liabilities (continued)

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangement entered into and definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the Statement of Financial Position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

The Group's and the Company's financial liabilities include trade payables, other liabilities and borrowings (see Note 3(q)).

Trade and other liabilities are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in the Income Statement when the liabilities are derecognised, or through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another form the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, and the difference in the respective carrying amounts is recognised in the Income Statement.

(m) Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

(a) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or

(b) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 18 to the financial statements. Movements on the hedging reserve in other comprehensive income are shown in Note 23(a) to the financial statements. The full fair value of a hedging derivative is classified as non-current asset or liability when the remaining hedged item is more than 12 months, and as current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current asset or liability.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Derivative financial instruments and hedging activities (continued)

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Group only applies fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the Income Statement within 'finance costs'. The gain or loss relating to the ineffective portion is recognised in the Income Statement. Changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk are recognised in the Income Statement within 'finance costs'.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Income Statement over the period to maturity.

(ii) Cash flows hedge

The fair value changes on the effective portion of the derivatives that are designated and qualify as cash flows hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement.

Amounts accumulated in equity are reclassified to Income Statement in the financial periods when the hedged item affects Income Statement (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the Income Statement. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in cost of goods sold in the case of inventory or in depreciation in the case of property, plant and equipment.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

(n) Financial guarantee

Financial guarantee contracts are contracts that require the Group and the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with MFRS 137 'Provisions, Contingent Liabilities and Contingent Assets' and the amount initially recognised less cumulative amortisation, where appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Financial guarantee (continued)

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where financial guarantees in relation to loans or payables of subsidiaries are provided by the Company for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of investment in subsidiaries.

(o) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise cash in hand, deposits held at call with financial institutions with original maturities of three months or less and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the Statement of Financial Position. For the purpose of the Statement of Cash Flows, cash and cash equivalents are presented net of bank overdrafts.

(p) Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity. Dividends to shareholders are recognised in equity in the financial period in which they are declared.

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings and accrued as liability in the financial year in which the obligation to pay is established.

Purchase of own shares

Shares repurchased by the Company are held as treasury shares and are accounted for on the cost method. The amount of the consideration paid, including directly attributable costs, is recognised as cost and set off against equity. Should such shares be cancelled, reissued or disposed of, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves, as appropriate. Where the treasury shares are subsequently distributed as dividends to shareholders, the cost of the treasury shares is applied as a reduction of the share premium account or the distributable retained earnings or both.

(q) Bonds and borrowings

Bonds and borrowings are initially recognised based on the proceeds received, net of transaction costs incurred. Subsequently, bonds and borrowings are stated at amortised cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the term of the bonds and borrowings.

Interest relating to a financial instrument classified as a liability is reported within finance cost in the Income Statement.

Bonds and borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Bonds and borrowings (continued)

Borrowing cost incurred to finance the construction of property, plant and equipment that meets the definition of qualifying asset are capitalised as part of the cost of the assets during the period of time that is required to complete and prepare the asset for its intended use.

(r) Grants and contributions

Grants and contributions are benefits received in respect of specific qualifying expenditure, and investment tax credits and tax benefits in respect of qualifying property, plant and equipment. These are released to the Income Statement over the expected economic useful lives of the related assets.

(s) Deferred income

Deferred income represents the cash received in advance from customer and transfer of asset from customer in respect of services which are yet to be provided. Such amounts are recorded as liabilities in the Statement of Financial Position and are only recognised in the Income Statement upon the rendering of services to customers.

(t) Provisions

The Group and the Company recognise provisions when it has a present legal or constructive obligation arising as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. The recording of provisions requires the application of judgments about the ultimate resolution of these obligations. As a result, provisions are reviewed at each reporting date and adjusted to reflect the Group and the Company's current best estimate.

(u) Revenue recognition

(i) Sale of electricity

Revenue from sales of electricity is recognised upon performance of services based on the invoiced value of sales net of discounts allowed and also includes an estimate of the value of services provided between the last meter reading date and the financial year end.

(ii) Sale of fuel oil

Revenue from sale of fuel oil is recognised when the risks and rewards of ownership of the oil have been passed to the customers which occurs when the oil has been delivered and the collectability of the related receivable is reasonably assured.

(iii) Supply of clean water and treatment and disposal of waste water

Revenue from supply of clean water and treatment and disposal of waste water represents the amounts (excluding value added tax, where applicable) derived from the provision of goods and services to third party customers.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (continued)

(iv) Broadband and telecommunications

Revenue relating to provision of broadband, telecommunications and related services are recognised net of discounts upon the transfer of risks and rewards when goods are delivered and services are performed. Revenue derived from services is deferred if the services have not been rendered at the reporting date.

Revenue from the sale of devices is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of the goods sold.

(v) Sale of steam

Revenue relating to sale of steam is recognised when the steam is delivered to the customer.

(vi) Investment income

Investment income earned by the Group and the Company are recognised on the following bases:

Dividend income	–	When the shareholders' right to receive payment is established.
Interest income	–	On an effective interest basis.

(vii) Other income

Other incomes earned by the Group and the Company are recognised on the following bases:

Management fees	–	When services are rendered and invoiced, net of service taxes.
Operation and maintenance fees	–	When services are rendered and invoiced.
Tank leasing fees	–	Tank leasing fees from operating leases are recognised on a straight line basis over the lease term.

(v) Employee benefits

(i) Short-term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the financial period in which the associated services are rendered by employees of the Group and the Company.

(ii) Post-employment benefits

The Group and the Company have various post-employment benefit schemes in accordance with local conditions and practices in the countries in which they operate.

These benefit plans are either defined contribution or defined benefit plans.

(a) Defined contribution plan

A defined contribution plan is a pension plan under which the Group and the Company pay fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior financial periods.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Employee benefits (continued)

(ii) Post-employment benefits (continued)

(a) Defined contribution plan (continued)

The Group and Company's contributions to defined contribution plan are charged to the Income Statement in the financial period to which they relate. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(b) Defined benefit plan

A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The liability in respect of a defined benefit plan is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets, together with adjustments for actuarial gains or losses and past service cost. The Group determines the present value of the defined benefit obligation and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

The defined benefit obligation, calculated using the projected unit credit method, is determined by independent actuaries, considering the estimated future cash outflows using market yields at the reporting date of government securities which have currency and terms to maturity approximating the terms of the related liability.

Remeasurement gains and losses of post-employment benefit obligations are recognised outside the Income Statement in retained earnings and presented in the Statement of Comprehensive Income.

Past-service costs are recognised immediately in Income Statement.

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan for the employees of the Group. The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense in the Income Statement over the vesting periods of the grant with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted and the number of share options to be vested by vesting date. At each reporting date, the Group revises its estimates of the number of share options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the Income Statement, with a corresponding adjustment to equity. For options granted to subsidiaries, the expense will be recognised in the subsidiaries' financial statements over the vesting periods of the grant.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Income taxes

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable profits, including withholding taxes payable by a foreign subsidiary, associated company or joint venture on distributions of retained earnings to companies in the Group.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at that time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group's share of income taxes of joint ventures and associates are included in the Group's share of profits of investments accounted for using the equity method.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

(x) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Foreign currencies (continued)

(iii) Group companies

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each Income Statement are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in other comprehensive income are recognised in the Income Statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after 1 July 2011 are treated as assets and liabilities of the foreign entity and translated at the closing rate. For acquisition of foreign entities completed prior to 1 July 2011, goodwill and fair value adjustments continued to be recorded at the exchange rate at the respective date of acquisitions. This is in accordance to the adoption of MFRS 1.

(y) Contingent liabilities and contingent assets

The Group and the Company do not recognise a contingent liability but disclose its existence in the financial statements, except in a business combination.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group and the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. When a change in the probability of an outflow of economic resources occurs and the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group and the Company. The Group and the Company do not recognise contingent assets but disclose their existence where inflows of economic benefits are probable, but not virtually certain. When inflow of economic resources is virtually certain, the asset is recognised.

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any non-controlling interests.

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where the fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Director primarily responsible for the financial statements for the Group.

Transactions between segments are carried out on mutually agreed basis. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and the Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Impairment assessment of goodwill

The Group tests goodwill for impairment annually, in accordance with its accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of significant judgments and estimates as set out in Note 12 to the financial statements.

(b) Estimated residual value and useful lives of property, plant and equipment

The residual value and the useful lives of property, plant and equipment are reviewed at each financial year end. The review involves significant judgments based on factors such as business plans and strategies, expected level of usage and future regulatory changes. It is possible that the future results of operations could be materially affected by changes in this estimate.

(c) Estimated impairment of property, plant and equipment and investments

Management applies its accounting policy set out in Note 3(d) to the financial statements in determining when property, plant and equipment and investments are considered as impaired.

Impairment is recognised when events and circumstances indicate that these assets may be impaired and the carrying amount of these assets exceeds the recoverable amounts. In determining the recoverable amount of these assets, certain estimates are made regarding the cash flows of these assets including meeting growth targets and sourcing contracts renewal.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

(d) Estimated pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each financial year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximately the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 26 to the financial statements.

(e) Allowance for impairment of receivables

At each reporting date, the Group and the Company assess whether there is objective evidence that receivables have been impaired. Impairment loss is calculated based on a review of the current status of existing receivables and historical collection expenses. Such provisions are adjusted periodically to reflect the actual and anticipated impairment.

(f) Recognition of financial asset

A subsidiary of the Group has recognised other receivables from early termination of three electricity retail contracts by two customers, based on the enforceable rights stipulated in the respective contracts and has commenced legal proceedings to recover the monies owed from them. Additional information is disclosed in Note 36 to the financial statements. The amount recognised is based on legal advice and the judgment of management. The ultimate amounts which could be recovered will depend on the outcome of the judgment, and could be different from what was recognised.

5. REVENUE

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Sale of electricity	**7,195,375**	9,391,057	–	–
Sale of clean water and treatment and disposal of waste water	**3,043,780**	2,896,355	–	–
Sale of fuel oil	**503,917**	965,078	–	–
Sale of steam	**192,397**	191,833	–	–
Broadband and telecommunications	**693,295**	823,828	–	–
Investment income	**112,885**	70,952	**9,244,906**	1,815,710
Others	**116,444**	97,503	**23,505**	24,210
	11,858,093	14,436,606	**9,268,411**	1,839,920

6. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Key management personnel are the persons who have authority and responsibility for planning, directing and controlling the activities of the Group or the Company. The key management compensation is disclosed below:

	Group		Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Key management compensation:				
– Wages, salaries and bonus	**29,831**	25,194	**13,074**	11,051
– Defined contribution plan	**3,492**	2,968	**1,557**	1,345
– Fees	**770**	770	**770**	770
– Share options expenses	**3,115**	3,398	**1,354**	1,477
– Allowances	**96**	101	**96**	101

Included in key management compensation is the Directors' remuneration (whether executive or otherwise) as disclosed in Note 7 to the financial statements.

Whenever it exists, related party transactions also include transaction with entities that are controlled, jointly controlled or significantly influenced directly or indirectly by any key management personnel or their close family members.

In addition to related party transactions and balances mentioned elsewhere in the financial statements, set out below are significant related party transactions and balances which were carried out on terms and conditions negotiated amongst the related parties.

	Group		Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Sale of goods and services:				
– Subsidiaries	**–**	–	**20,000**	20,000
Dividend income:				
– Subsidiaries	**–**	–	**9,185,983**	1,770,149
– Fellow subsidiaries	**10,404**	–	**10,404**	–
Interest income:				
– Subsidiaries – in respect of loan and advances	**–**	–	**28,377**	36,511
Other income:				
– Fellow subsidiaries	**3,505**	4,333	**3,505**	4,210

6. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Purchases of goods and services from fellow subsidiaries:				
– Advertising and promotion	**7,556**	7,271	–	–
– Hotel and accommodation	**7,604**	8,104	**1,233**	1,112
– Operating and maintenance	**127,610**	159,801	–	–
– Telecommunications related charges	**75,000**	75,000	–	–
– Travelling fares and motor vehicle maintenance	**5,777**	5,572	**4,106**	4,725
– Commission, incentives and/or reimbursement of bundle device sold	**18,384**	10,310	–	–
– Building infrastructure	**16,848**	–	–	–
Expenses paid on behalf of:				
– Subsidiaries	–	–	**7,803**	57,686
– Fellow subsidiaries	**196**	175	–	4
Expenses paid on behalf by:				
– Subsidiaries	–	–	**70,369**	61,834
– Fellow subsidiaries	**14,654**	20,080	**2,233**	2,208
– Immediate holding company and ultimate holding company	**7,844**	7,298	**3,765**	2,237
Year-end balances owing by:				
– Subsidiaries	–	–	**1,789,609**	432,770
– Fellow subsidiaries	**1,012**	1,199	–	–
– Immediate holding company and ultimate holding company	**111**	4	–	–
Year-end balances owing to:				
– Subsidiaries	–	–	**(336,844)**	(13,724)
– Fellow subsidiaries	**(54,547)**	(148,058)	**(509)**	(10)
– Immediate holding company and ultimate holding company	**(247)**	(222)	**(4)**	(4)

Notes to the Financial Statements
for the financial year ended 30 June 2015

6. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

The movement in advances to subsidiaries during the financial year is as follows:

	Company	
	2015 RM'000	2014 RM'000
Advances to subsidiaries		
At 1 July	**377,711**	891,711
Advances during the financial year	**1,445,567**	582,086
Repayments during the financial year	**(284,219)**	(619,870)
Foreign currency translation	**28,417**	–
Capitalisation of intercompany balances	–	(500,000)
Interest charged	**28,377**	36,511
Payment of interest	**(1,775)**	(12,727)
Transfer of balances to loan account	**54,247**	–
At 30 June	**1,648,325**	377,711

7. PROFIT BEFORE TAXATION

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Profit before taxation is stated after charging/(crediting):				
Allowance for impairment of associates	–	23,938	–	–
Allowance for impairment of intangible assets	–	13,224	–	–
Allowance for/(Write back of) impairment of inventories	**1,474**	(1,186)	–	–
Allowance for impairment of property, plant and equipment	**524**	54,695	–	–
Allowance for impairment of receivables (net of reversals)	**68,868**	119,693	–	–
Allowance for impairment of subsidiaries	–	–	**4,817,533**	–
Amortisation of deferred income	**(4,142)**	(3,399)	–	–
Amortisation of grants and contributions	**(10,042)**	(9,757)	–	–
Amortisation of intangible assets	**71,981**	47,776	–	–
Auditors' remuneration				
– Statutory audit fees payable/paid to PwC Malaysia:				
– current year	**650**	570	**580**	500
– Payable/paid to member firms of an organisation which are separate and independent legal entities from PwC Malaysia	**564**	563	–	–
– Statutory audit fees payable/paid to other audit firms	**2,267**	1,999	–	–

7. PROFIT BEFORE TAXATION (CONTINUED)

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Bad debts written-off	**5,684**	20	**–**	–
Depreciation of property, plant and equipment	**1,379,364**	1,264,726	**126**	144
Development expenditure	**13,423**	26,517	**13,423**	26,517
Directors' remuneration	**37,304**	32,431	**16,851**	14,744
Energy cost	**6,426,908**	8,627,402	**–**	–
Fair value changes in derivatives	**(3,717)**	2,640	**–**	–
Gain on redemption of investment in loan stock	**–**	(768)	**–**	–
Ineffective portion on cash flow hedges	**–**	(2,290)	**–**	–
Interest income	**(26,126)**	(23,092)	**–**	–
Interest expense – borrowings	**798,047**	756,831	**207,980**	183,249
Interest expense – discounting of non-current receivables	**–**	11,653	**–**	–
Interest expense – post-employment benefit	**23,392**	27,543	**–**	–
Net gain on disposal of property, plant and equipment	**(26,690)**	(3,625)	**(16)**	–
Property, plant and equipment written off	**14,141**	11,414	**–**	–
Provision for liabilities and charges	**12,050**	2,542	**–**	–
Realised (gain)/loss on foreign exchange	**(6,368)**	14,501	**121**	(642)
Rental of land and building	**129,684**	124,594	**306**	326
Rental of plant, equipment and machinery	**13,067**	19,414	**–**	–
Staff costs:				
– Wages, salaries and bonus	**499,277**	474,202	**12,354**	11,035
– Defined contribution plan	**18,911**	19,616	**1,262**	1,114
– Defined benefit plan	**66,780**	61,197	**–**	–
– Share option expenses	**4,056**	5,252	**185**	216
Unrealised (gain)/loss on foreign exchange	**(11,321)**	76,197	**(15,020)**	(4)
Write back of fuel cost	**(9,949)**	(559)	**–**	–

7. PROFIT BEFORE TAXATION (CONTINUED)

The aggregate remuneration of Directors categorised into appropriate components are as follows:

	Salaries RM'000	Fees RM'000	Bonus RM'000	Others* RM'000	Total RM'000
2015					
Group					
Executive Directors	**17,552**	**450**	**12,279**	**6,458**	**36,739**
Non-executive Directors	**–**	**320**	**–**	**245**	**565**
Company					
Executive Directors	**7,876**	**450**	**5,198**	**2,796**	**16,320**
Non-executive Directors	**–**	**320**	**–**	**211**	**531**
2014					
Group					
Executive Directors	14,945	450	10,249	6,191	31,835
Non-executive Directors	–	320	–	276	596
Company					
Executive Directors	6,703	450	4,348	2,685	14,186
Non-executive Directors	–	320	–	238	558

* Included in the remuneration of Directors of the Group and the Company are contributions to a defined contribution plan and share options expenses charged to the Income Statement amounting to RM3,492,114 and RM3,114,711 (2014: RM2,968,065 and RM3,397,867) and RM1,557,090 and RM1,354,222 (2014: RM1,345,185 and RM1,477,334) respectively.

7. PROFIT BEFORE TAXATION (CONTINUED)

The number of Directors of the Group and of the Company whose total remuneration fall within the following bands for the financial year ended 30 June 2015 is as follows:

Range of remuneration	Group No. of Directors Executive	Group No. of Directors Non-executive	Company No. of Directors Executive	Company No. of Directors Non-executive
Below RM50,000	–	–	3	–
RM50,001-RM100,000	–	1	–	1
RM100,001-RM150,000	–	2	–	2
RM150,001-RM200,000	–	1	–	1
RM200,001-RM250,000	–	–	1	–
RM250,001-RM300,000	–	–	1	–
RM350,001-RM400,000	1	–	–	–
RM500,001-RM550,000	1	–	–	–
RM1,150,001-RM1,200,000	1	–	1	–
RM3,350,001-RM3,400,000	–	–	1	–
RM3,700,001-RM3,750,000	1	–	1	–
RM3,900,001-RM3,950,000	1	–	–	–
RM5,700,001-RM5,750,000	1	–	–	–
RM6,250,001-RM6,300,000	1	–	–	–
RM7,300,001-RM7,350,000	–	–	1	–
RM7,400,001-RM7,450,000	1	–	–	–
RM7,550,001-RM7,600,000	1	–	–	–

8. TAXATION

Taxation charge for the financial year:

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Current tax:				
– Malaysian income tax	**179,646**	137,967	**838**	226,020
– Foreign income tax	**158,017**	167,435	**–**	–
Deferred taxation (Note 24)	**(10,869)**	(387,555)	**(4)**	7
	326,794	(82,153)	**834**	226,027
Current tax:				
– Current year	**336,611**	428,018	**839**	226,387
– Under/(Over) provision in prior years	**1,052**	(122,616)	**(1)**	(367)
Deferred taxation:				
– Originating and reversal of temporary differences	**(10,869)**	(387,555)	**(4)**	7
	326,794	(82,153)	**834**	226,027

8. TAXATION (CONTINUED)

The explanation of the relationship between taxation and profit before taxation is as follows:

	Group		Company	
	2015 **RM'000**	**2014** **RM'000**	**2015** **RM'000**	**2014** **RM'000**
Numerical reconciliation between taxation and the product of accounting profit multiplied by the Malaysian tax rate				
Profit before taxation	**1,247,192**	1,126,594	**4,193,873**	1,584,602
Tax calculated at the Malaysian tax rate 25% (2014: 25%)	**311,798**	281,649	**1,048,468**	396,151
Tax effects of:				
– Share of profits of investments accounted for using the equity method	**(71,898)**	(62,468)	–	–
– Different tax rates in other countries including remeasuring of deferred tax^	**(59,343)**	(222,062)	–	–
– Non-deductible expenses	**154,417**	182,324	**1,255,379**	47,825
– Income not subject to tax	**(55,617)**	(12,454)	**(2,303,012)**	(217,582)
– Temporary differences not recognised*	**46,385**	39,261	–	–
– Adjustments in respect of prior years**	–	(165,787)	–	–
– Under/(Over) provision in prior years in relation to current tax**	**1,052**	(122,616)	**(1)**	(367)
Taxation	**326,794**	(82,153)	**834**	226,027

* A subsidiary of the Group was granted pioneer status for a period of 10 years commencing November 2010. The tax effects of temporary differences not recognised as shown below in respect of this subsidiary, is expected to be reversed during the pioneer period.

	2015 **RM'000**	**2014** **RM'000**
– Property, plant and equipment	**105,133**	71,935
– Unutilised tax losses	**203,014**	182,092
– Others	**8,947**	13,951

The tax effects of temporary differences not recognised in respect of other subsidiaries are as follows:

	2015 **RM'000**	**2014** **RM'000**
– Unutilised tax losses	**108**	2,839

8. TAXATION (CONTINUED)

** The tax credits recognised by a subsidiary company in the United Kingdom includes a deferred tax credits of RM165.8 million and current tax credit of RM101.7 million which arises from a refund of over payment of tax in prior periods. It was a result of an industry-wide agreement reached with Her Majesty's Revenue and Customs ('HMRC') for the re-categorisation of capital allowances from industrial building allowances ('IBA') into long life plant during the last financial year. The agreement followed HMRC's decision under the UK Finance Act 2008 issued on 2 July 2008 to reduce IBA over the period 2008 to 2012 from 4% in the year 2008 to zero in the year 2012.

^ The remeasurement of deferred tax during the last financial year was due to a reduction in the United Kingdom corporation tax rate from 23% to 21% with effect from 1 April 2014 and from 21% to 20% with effect from 1 April 2015 which were substantively enacted on 2 July 2013. This will reduce the subsidiary's future current tax charge accordingly. The deferred tax liability at 30 June 2014 had been calculated based on the 20% rate substantively enacted at the financial year ended 30 June 2014.

9. EARNINGS PER SHARE ('EPS')

(a) Basic EPS

	Group	
	2015	**2014**
Profit attributable to owners of the parent (RM'000)	**918,812**	1,202,414
Weighted average number of ordinary shares in issue ('000)	**6,960,773**	6,571,585
Basic EPS (sen)	**13.20**	18.30

Basic EPS of the Group is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary share in issue during the financial year, excluding the number of ordinary shares bought back during the financial year.

(b) Diluted EPS

	Group	
	2015	**2014**
Profit attributable to owners of the parent (RM'000)	**918,812**	1,202,414
Profit used to determine diluted EPS (RM'000)	**918,812**	1,202,414
Weighted average number of ordinary shares in issue ('000)	**6,960,773**	6,571,585
Adjustments for:		
– Conversion of Warrants ('000)	**224,054**	336,438
– ESOS ('000)	**6,524**	21,184
Weighted average number of ordinary shares for diluted earnings per share ('000)	**7,191,351**	6,929,207
Diluted EPS (sen)	**12.78**	17.35

9. EARNINGS PER SHARE ('EPS') (CONTINUED)

(b) Diluted EPS (continued)

As at 30 June 2015, the Company had 832,198,087 (2014: 1,076,600,275) warrants, whose terms of conversion are set out in Note 22(a) to the financial statements, still unexercised. MFRS 133 'Earnings Per Share' prescribes that warrants are dilutive when they are issued for no consideration or when they would result in the issue of ordinary shares for less than its fair value. For the diluted EPS calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

10. DIVIDENDS

	Group and Company 2015		Group and Company 2014	
	Gross dividend per share Sen	Amount of dividend RM'000	Gross dividend per share Sen	Amount of dividend RM'000
Dividend paid in respect of the financial year ended 30 June 2014:				
– Interim single tier dividend of 20% or 10 sen per ordinary share of 50 sen each paid on 14 November 2014	10	703,431	–	–
	10	703,431	–	–

On 20 August 2015, the Board of Directors declared an interim single tier dividend of 20% or 10 sen per ordinary share of RM0.50 each for the financial year ended 30 June 2015. The book closure and payment dates in respect of the aforesaid dividend are 7 October 2015 and 23 October 2015, respectively.

The Directors do not recommend the payment of a final dividend for the financial year ended 30 June 2015.

11. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

Group	Land and buildings RM'000	Infra-structure assets RM'000	Plant and machinery RM'000	Mains and lines RM'000	Office equipment RM'000	Computers RM'000	Furniture and fittings RM'000	Motor vehicles and aircraft RM'000	Telecom-munications equipment RM'000	Assets under construction RM'000	Total RM'000
2015											
Cost											
At 1 July 2014	4,533,588	6,651,365	13,417,798	22,699	756,389	34,135	20,007	133,767	1,705,298	1,179,674	28,454,720
Exchange differences	329,134	640,117	1,011,334	–	67,696	1,389	292	4,039	–	56,732	2,110,733
Acquisition of subsidiary	1,840	–	–	–	41	1,151	35	8	37,498	3,626	44,199
Additions	21,080	279,195	404,553	–	33,718	1,755	3,291	109,009	4,310	870,424	1,727,335
Disposals	–	–	(14,290)	–	(2)	(129)	(150)	(88,693)	(141)	–	(103,405)
Written off	(1,513)	(8,323)	(281,333)	–	(49,416)	(30)	(17)	–	(592)	–	(341,224)
Transfer on commissioning	119,775	253,925	391,545	–	36,646	1,510	3,228	–	454,334	(1,260,963)	–
At 30 June 2015	5,003,904	7,816,279	14,929,607	22,699	845,072	39,781	26,686	158,130	2,200,707	849,493	31,892,358
Accumulated depreciation and impairment											
At 1 July 2014	1,673,704	376,159	6,310,494	21,377	336,551	25,518	8,149	47,452	288,322	43,326	9,131,052
Exchange differences	86,305	39,555	397,461	–	27,542	1,014	258	1,353	–	–	553,488
Charge for the financial year	177,410	65,262	955,936	1,057	38,489	4,478	2,451	17,735	116,546	–	1,379,364
Disposals	–	–	(12,099)	–	(1)	(128)	(11)	(37,282)	(138)	–	(49,659)
Impairment	–	–	–	–	–	364	–	–	160	–	524
Written off	(447)	–	(277,054)	–	(49,253)	(20)	(3)	–	(306)	–	(327,083)
At 30 June 2015	1,936,972	480,976	7,374,738	22,434	353,328	31,226	10,844	29,258	404,584	43,326	10,687,686
Net book value											
At 30 June 2015	3,066,932	7,335,303	7,554,869	265	491,744	8,555	15,842	128,872	1,796,123	806,167	21,204,672

Borrowing cost of RM14,867,726 (2014: RM8,456,442) arising on financing specifically entered into for the construction of property, plant and equipment was capitalised during the financial year 2015. The Group has revised the residual value of certain property, plant and equipment. The revision was accounted for as a change in accounting estimate and as a result, the depreciation charge for the current financial year has increased by RM105,336,000.

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The details of property, plant and equipment are as follows: (continued)

Group	Land and buildings RM'000	Infra-structure assets RM'000	Plant and machinery RM'000	Mains and lines RM'000	Office equipment RM'000	Computers RM'000	Furniture and fittings RM'000	Motor vehicles and aircraft RM'000	Telecom-munications equipment RM'000	Assets under construction RM'000	Total RM'000
2014											
Cost											
At 1 July 2013	4,117,259	5,299,842	12,008,669	22,699	624,322	32,171	18,018	115,469	1,598,190	1,066,639	24,903,278
Exchange differences	383,114	691,149	781,874	–	78,536	283	158	1,845	–	77,571	2,014,530
Additions	18,286	585,357	483,417	–	28,386	1,489	1,934	20,997	2,445	722,701	1,865,012
Disposals	(3,396)	–	(10,501)	–	(289)	(670)	(136)	(4,544)	(71,214)	–	(90,750)
Written off	(2,611)	–	(233,708)	–	(232)	(389)	(66)	–	(344)	–	(237,350)
Transfer on commissioning	20,936	75,017	388,047	–	25,666	1,251	99	–	176,221	(687,237)	–
At 30 June 2014	4,533,588	6,651,365	13,417,798	22,699	756,389	34,135	20,007	133,767	1,705,298	1,179,674	28,454,720
Accumulated depreciation and impairment											
At 1 July 2013	1,414,543	280,675	5,374,815	20,320	266,683	22,648	5,878	31,880	187,730	–	7,605,172
Exchange differences	87,538	37,348	306,421	–	33,133	187	69	578	–	–	465,274
Charge for the financial year	175,259	58,136	863,542	1,057	37,167	3,711	2,373	18,843	104,638	–	1,264,726
Disposals	(3,391)	–	(9,229)	–	(282)	(670)	(136)	(3,849)	(15,322)	–	(32,879)
Impairment	–	–	–	–	–	2	–	–	11,367	43,326	54,695
Written off	(245)	–	(225,055)	–	(150)	(360)	(35)	–	(91)	–	(225,936)
At 30 June 2014	1,673,704	376,159	6,310,494	21,377	336,551	25,518	8,149	47,452	288,322	43,326	9,131,052
Net book value											
At 30 June 2014	2,859,884	6,275,206	7,107,304	1,322	419,838	8,617	11,858	86,315	1,416,976	1,136,348	19,323,668

Borrowing cost of RM8,456,442 (2013: RM6,421,710) arising on financing specifically entered into for the construction of property, plant and equipment was capitalised during the financial year 2014.

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The details of land and buildings of the Group are as follows:

Group	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Total RM'000
2015				
Cost				
At 1 July 2014	**85,058**	**70,972**	**4,377,558**	**4,533,588**
Exchange differences	**7,216**	**6,243**	**315,675**	**329,134**
Acquisition of subsidiary	–	–	**1,840**	**1,840**
Additions	–	**377**	**20,703**	**21,080**
Written off	–	–	**(1,513)**	**(1,513)**
Transfer on commissioning	–	**3,429**	**116,346**	**119,775**
At 30 June 2015	**92,274**	**81,021**	**4,830,609**	**5,003,904**
Accumulated depreciation				
At 1 July 2014	**28,395**	–	**1,645,309**	**1,673,704**
Exchange differences	**2,405**	–	**83,900**	**86,305**
Charge for the financial year	**5,343**	–	**172,067**	**177,410**
Written off	–	–	**(447)**	**(447)**
At 30 June 2015	**36,143**	–	**1,900,829**	**1,936,972**
Net book value				
At 30 June 2015	**56,131**	**81,021**	**2,929,780**	**3,066,932**
2014				
Cost				
At 1 July 2013	86,047	63,017	3,968,195	4,117,259
Exchange differences	1,799	7,388	373,927	383,114
Additions	–	567	17,719	18,286
Disposals	(2,788)	–	(608)	(3,396)
Written off	–	–	(2,611)	(2,611)
Transfer on commissioning	–	–	20,936	20,936
At 30 June 2014	85,058	70,972	4,377,558	4,533,588
Accumulated depreciation				
At 1 July 2013	25,504	–	1,389,039	1,414,543
Exchange differences	440	–	87,098	87,538
Charge for the financial year	5,239	–	170,020	175,259
Disposals	(2,788)	–	(603)	(3,391)
Written off	–	–	(245)	(245)
At 30 June 2014	28,395	–	1,645,309	1,673,704
Net book value				
At 30 June 2014	56,663	70,972	2,732,249	2,859,884

The net book value of assets of the Group held under finance lease amounted RM157,424,392 (2014: RM260,685,478).

Notes to the Financial Statements
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11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The property, plant and equipment of the Company are as follows:

Company	Office equipment RM'000	Computers RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Total RM'000
2015					
Cost					
At 1 July 2014	**38**	**307**	**20**	**1,603**	**1,968**
Additions	**–**	**43**	**–**	**269**	**312**
Disposals	**–**	**–**	**–**	**(714)**	**(714)**
At 30 June 2015	**38**	**350**	**20**	**1,158**	**1,566**
Accumulated depreciation					
At 1 July 2014	**36**	**284**	**20**	**750**	**1,090**
Charge for the financial year	**1**	**12**	**–**	**113**	**126**
Disposals	**–**	**–**	**–**	**(356)**	**(356)**
At 30 June 2015	**37**	**296**	**20**	**507**	**860**
Net book value					
At 30 June 2015	**1**	**54**	**–**	**651**	**706**
2014					
Cost					
At 1 July 2013	35	295	20	1,603	1,953
Additions	3	12	–	–	15
At 30 June 2014	38	307	20	1,603	1,968
Accumulated depreciation					
At 1 July 2013	35	268	20	623	946
Charge for the financial year	1	16	–	127	144
At 30 June 2014	36	284	20	750	1,090
Net book value					
At 30 June 2014	2	23	–	853	878

12. INTANGIBLE ASSETS

The details of intangible assets are as follows:

	Group 2015 RM'000	Group 2014 RM'000
Customer acquisition costs	**89,519**	66,733
Goodwill on consolidation	**7,450,406**	6,797,337
Others	**40,763**	–
	7,580,688	6,864,070

(a) Customer acquisition costs

	Group 2015 RM'000	Group 2014 RM'000
At 1 July	**66,733**	40,201
Additions	**91,317**	74,308
Amortisation charge for the financial year	**(68,531)**	(47,776)
At 30 June	**89,519**	66,733

(b) Goodwill on consolidation

	Group 2015 RM'000	Group 2014 RM'000
At 1 July	**6,797,337**	6,659,590
Exchange differences	**591,555**	145,681
Acquisition of subsidiaries	**61,514**	–
Allowance for impairment (net of NCI)	**–**	(7,934)
At 30 June	**7,450,406**	6,797,337

Impairment test for goodwill

The Group undertakes an annual test for impairment of its cash-generating units ('CGUs').

Goodwill is allocated for impairment test to the individual entity which is also the CGUs identified according to the respective companies.

12. INTANGIBLE ASSETS (CONTINUED)

Impairment test for goodwill (continued)

The following CGUs, being the lowest level of asset for which there are separately identifiable cash flows, have carrying amounts of goodwill that are considered significant in comparison with the Group's total goodwill:

	Group	
	2015	**2014**
	RM'000	**RM'000**
YTL PowerSeraya Pte. Limited ('Singapore')	**6,899,150**	6,311,534
Wessex Water Limited (United Kingdom ('UK'))	**440,700**	440,700
Others	**110,556**	45,103
Total goodwill	**7,450,406**	6,797,337

The amount of goodwill initially recognised is dependent on the allocation of the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based, to a considerable extent, on management judgment.

(a) Key assumption used in the value-in-use calculations

The following assumptions have been applied in the value-in-use calculation:

	2015		2014	
	Singapore	**UK**	**Singapore**	**UK**
	%	**%**	**%**	**%**
Pre-tax discount rate	**6.0**	**5.2**	6.0	5.7
Terminal growth rate	**2.0**	**(0.5)**	2.0	0.1
Revenue growth rate	**1.2**	**2.2**	2.7	2.5
Electricity margin growth rate	**2.0**	**–**	2.0	–
Electricity volume growth rate	**2.0**	**–**	2.0	–

The recoverable amounts of the CGUs are determined based on value-in-use calculations. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management.

The discount rates used are pre-tax and reflect specific risks relating to the CGU. The discount rates applied to the cash flow projections are derived from the cost of capital plus a reasonable risk premium at the date of the assessment of the respective CGU.

For YTL PowerSeraya Pte. Limited ('Singapore'), the revenue growth assumption is calculated using the Compound Annual Growth Rate method and applied on the current year's sales figures and the terminal growth rates indicate the expected growth of cash flows after the forecast period of 8 years.

12. INTANGIBLE ASSETS (CONTINUED)

Impairment test for goodwill (continued)

(b) Impact of possible change in key assumption

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Group's result. The Group's review includes the sensitivity of key assumptions to the cash flow projections.

The circumstances where a change in key assumptions will result in the recoverable amounts of goodwill on the CGUs to equal the corresponding carrying amounts assuming no change in the other variables are as follows:

	2015		2014	
	Singapore %	UK %	Singapore %	UK %
Pre-tax discount rate	**7.8**	**13.1**	8.6	12.5
Terminal growth rate	**(1.6)**	**(2.6)**	(4.1)	(0.5)
Revenue growth rate	**0.3**	**(6.1)**	1.8	(4.4)
Electricity margin growth rate	**(0.2)**	–	(2.5)	–
Electricity volume growth rate	**0.3**	–	(1.5)	–

13. SUBSIDIARIES

Investment in subsidiaries

	Company	
	2015 RM'000	2014 RM'000
Unquoted shares, at cost	**20,743,628**	11,771,629
Accumulated impairment losses	**(4,817,533)**	–
	15,926,095	11,771,629

Notes to the Financial Statements
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13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

The subsidiaries are as follows:

Name of company/ corporation	Country of incorporation	Group's effective interest 2015 %	2014 %	Principal activities
Cellular Structures Sdn. Bhd.*Ω	Malaysia	**48**	–	Undertaking financing facilities for use by holding company
Konsortium Jaringan Selangor Sdn. Bhd.*Ω	Malaysia	**48**	–	Planning, implementation and maintenance of telecommunication towers and telecommunication related services
YTL Broadband Sdn. Bhd.*Ω	Malaysia	**48**	–	Provision of wired line and wireless broadband access and other related services
YTL Communications Sdn. Bhd.*	Malaysia	**60**	60	Provision of wired line and wireless broadband access and other related services
Extiva Communications Sdn. Bhd.*Ω	Malaysia	**60**	60	Developing and marketing VoIP telephony and other advanced network media appliances for the service provider and enterprise telephony market
SIPP Power Sdn. Bhd.*	Malaysia	**70**	70	Dormant
YTL Energy Holdings Sdn. Bhd.*	Malaysia	**100**	100	Dormant
YTL Power Generation Sdn. Bhd.	Malaysia	**100**	100	Developing, constructing, completing, maintaining and operating power plants
YTL Power International Holdings Limited*	Cayman Islands	**100**	100	Investment holding
YTL Power Australia Limited*	Cayman Islands	**100**	100	Investment holding
YTL Power Finance (Cayman) Limited	Cayman Islands	**100**	100	Dormant
YTL Power Trading (Labuan) Ltd.*	Malaysia	**100**	100	Dormant
YTL Seraya Limited*	Cayman Islands	**100**	100	Investment holding

13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

The subsidiaries are as follows: (continued)

Name of company/ corporation	Country of incorporation	Group's effective interest 2015 %	Group's effective interest 2014 %	Principal activities
YTL SIPP Power Holdings Sdn. Bhd.*	Malaysia	**70**	70	Dormant
YTL Utilities Holdings (S) Pte. Limited*	Singapore	**100**	100	Investment holding
YTL Utilities (S) Pte. Limited*	Singapore	**100**	100	Investment holding
YTL PowerSeraya Pte. Limited**	Singapore	**100**	100	Own and operate energy facilities and services (full value chain of electricity generation including trading of physical fuels and fuel related derivative instruments, tank leasing activities and sale of by-products from the electricity generation process)
PowerSeraya Limited (In Voluntary Liquidation)‡Δ	Singapore	–	100	Inactive
Seraya Energy Pte. Ltd.**‡	Singapore	**100**	100	Sale of electricity
Seraya Energy and Investment Pte. Ltd.**‡	Singapore	**100**	100	Investment holding
PetroSeraya Pte. Ltd.**‡	Singapore	**100**	100	Oil trading and oil tank leasing
YTL Utilities Limited*	Cayman Islands	**100**	100	Investment holding
YTL Utilities Finance Limited*	Cayman Islands	**100**	100	Investment holding
YTL Utilities Finance 2 Limited*	Cayman Islands	**100**	100	Investment holding
YTL Utilities Finance 3 Limited*	Cayman Islands	**100**	100	Investment holding
YTL Utilities Finance 4 Limited*	Cayman Islands	**100**	100	Financial services
YTL Utilities Finance 5 Limited*	Cayman Islands	**100**	100	Financial services

Notes to the Financial Statements
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13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

The subsidiaries are as follows: (continued)

Name of company/ corporation	Country of incorporation	Group's effective interest 2015 %	Group's effective interest 2014 %	Principal activities
YTL Utilities Finance 6 Limited*	Cayman Islands	**100**	100	Investment holding
YTL Utilities Finance 7 Limited	Cayman Islands	**100**	100	Financial services
YTL Utilities Holdings Limited*	Cayman Islands	**100**	100	Investment holding
Wessex Water International Limited	Cayman Islands	**100**	100	Dormant
YTL Utilities (UK) Limited*	England and Wales	**100**	100	Investment holding
YTL Events Limited*	England and Wales	**100**	100	Providing public entertainment, events and public relations services
Wessex Water Limited*	England and Wales	**100**	100	Investment holding
Wessex Water Services Limited*#	England and Wales	**100**	100	Water supply and waste water services
SC Technology GmbH*#	Switzerland	**100**	100	Waste treatment processes
SC Technology Nederlands B.V.*#	Netherlands	**100**	100	Waste treatment processes
SC Technology Deutschland GmbH*#	Germany	**100**	100	Waste treatment processes
Sword Bidco Limited	England and Wales	**100**	100	Dormant
Sword Bidco (Holdings) Limited	England and Wales	**100**	100	Dormant
Sword Holdings Limited	Cayman Islands	**100**	100	Dormant

13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

The subsidiaries are as follows: (continued)

Name of company/ corporation	Country of incorporation	Group's effective interest 2015 %	Group's effective interest 2014 %	Principal activities
Sword Midco Limited	England and Wales	**100**	100	Dormant
Enterprise Laundry Services Limited*#	England and Wales	**100**	100	Laundry services
Geneco Limited*#	England and Wales	**100**	100	Food waste processing
Geneco (South West) Limited *(formerly known as NES (South West) Limited)**#	England and Wales	**100**	–	Food waste processing
Water 2 Business Limited*#	England and Wales	**100**	100	Dormant
Wessex Electricity Utilities Limited*#	England and Wales	**100**	100	Dormant
Wessex Utility Solutions Limited*#	England and Wales	**100**	100	Dormant
Wessex Water Services Finance Plc.*#	England and Wales	**100**	100	Issue of bonds
Wessex Water Enterprises Limited*#	England and Wales	**100**	100	Water supply and waste water services
Wessex Engineering & Construction Services Limited*#	England and Wales	**100**	100	Engineering and construction services
Wessex Promotions Limited*#	England and Wales	**100**	100	Entertainment promotion
Wessex Water Pension Scheme Trustee Limited*#	England and Wales	**100**	100	Management of Wessex Water Pension Scheme

13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

The subsidiaries are as follows: (continued)

Name of company/ corporation	Country of incorporation	Group's effective interest 2015 %	Group's effective interest 2014 %	Principal activities
Wessex Water Commercial Limited*#	England and Wales	**100**	100	Dormant
Wessex Property Services Limited*#	England and Wales	**100**	100	Dormant
Wessex Water Trustee Company Limited*#	England and Wales	**100**	100	Dormant
Wessex Water Engineering Services Limited*#	England and Wales	**100**	100	Dormant
Wessex Spring Water Limited*#	England and Wales	**100**	100	Dormant
Wessex Logistics Limited*#	England and Wales	**100**	100	Dormant
YTL ECOGreen Pte. Ltd.*	Singapore	**100**	100	Dormant
YTL Engineering Limited*#	England and Wales	**100**	100	Dormant
YTL Infrastructure Limited	Cayman Islands	**100**	100	Dormant
YTL Services Limited*#	England and Wales	**100**	100	Dormant
YTL Communications International Ltd.Ω	Cayman Islands	**60**	60	Investment holding
YTL Global Networks Ltd.Ω	Cayman Islands	**60**	60	Dormant
YTL Communications (S) Pte. Ltd.*Ω	Singapore	**60**	60	Dormant

13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

The subsidiaries are as follows: (continued)

Name of company/ corporation	Country of incorporation	Group's effective interest 2015 %	2014 %	Principal activities
YTL Digital Sdn. Bhd.*Ω	Malaysia	**60**	60	Sales and marketing of telecommunication devices
Attarat Operation and Maintenance Company B.V.°	Netherlands	**75**	–	Dormant
YTL Jawa Energy B.V.^	Netherlands	**100**	–	Dormant
YTL Jawa Power Holdings Limited*	Cyprus	**100**	100	Investment holding
YTL Jawa Power Finance Limited*^	Cayman Islands	**100**	100	Investment holding
YTL Jawa Power Holdings B.V.*^	Netherlands	**57.1**	57.1	Investment holding
YTL Jawa Power B.V.*^	Netherlands	**57.1**	57.1	Investment holding
YTL Jawa O & M Holdings Limited*	Cyprus	**100**	100	Investment holding
YTL Jawa O & M Holdings B.V.*°	Netherlands	**100**	100	Investment holding
YTL Jawa Power Services B.V.*°	Netherlands	**100**	100	Investment holding
P.T. YTL Jawa Timur*°	Indonesia	**100**	100	Construction management, consultancy services and power station operation services
YTL Power Investments Limited*	Cayman Islands	**100**	100	Investment holding
YTL Power (Thailand) Limited	Cayman Islands	**100**	100	Dormant
FrogAsia Sdn. Bhd.*+	Malaysia	**100**	100	Education licence provider
Frog Education Limited*+	England and Wales	**57.6**	57.6	Sales into the education market and further development of its web environment product

13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

The subsidiaries are as follows: (continued)

Name of company/ corporation	Country of incorporation	Group's effective interest 2015 %	Group's effective interest 2014 %	Principal activities
Frog Education Group Limited*+	England and Wales	**57.6**	–	Investment holding
Granite Investments (Cayman Islands) Limited+	Cayman Islands	**100**	100	Dormant
I Education Limited+	England and Wales	**57.6**	29.37	Dormant
YTL Education (UK) Limited*+	England and Wales	**100**	100	Providing advisory and management services to educational institutions in the UK and abroad

* *Audited by a firm other than a member firm of PricewaterhouseCoopers International Limited*

** *Audited by a member firm of PricewaterhouseCoopers International Limited which is a separate and independent legal entity from PricewaterhouseCoopers, Malaysia*

\# *Subsidiaries of Wessex Water Limited*

° *Subsidiaries of YTL Jawa O & M Holdings Limited*

^ *Subsidiaries of YTL Jawa Power Holdings Limited*

‡ *Subsidiaries of YTL PowerSeraya Pte. Limited*

Ω *Subsidiaries of YTL Communications Sdn. Bhd.*

\+ *Subsidiaries of YTL Power Investments Limited*

Δ *Dissolved during the financial year*

13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

(a) Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interest ('NCI') are as follows:

Group	NCI percentage of ownership interest and voting interest	Profit allocated to NCI RM'000	Carrying amount of NCI RM'000
2015			
YTL Jawa Power Holdings B.V.	**42.9%**	**106,103**	**572,300**
YTL Communications Sdn. Bhd.	**40.0%**	**(104,543)**	**(349,101)**
		1,560	**223,199**
2014			
YTL Jawa Power Holdings B.V.	42.9%	96,892	492,890
YTL Communications Sdn. Bhd.	40.0%	(91,114)	(259,819)
		5,778	233,071

The remaining non-controlling interests of the Group are immaterial individually.

(b) Summarised financial information before inter-company elimination is as below:

	YTL Jawa Power Holdings B.V.		YTL Communications Sdn. Bhd.	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-current assets	**1,349,529**	1,161,575	**2,192,401**	1,999,572
Current assets	**1,829**	2,035	**165,805**	141,322
Non-current liabilities	**(15,819)**	(13,416)	**(26,035)**	(35,766)
Current liabilities	**(123)**	(75)	**(2,242,929)**	(1,765,458)
Net assets	**1,335,416**	1,150,119	**89,242**	339,670
Revenue	**–**	–	**668,051**	794,312
Profit/(Loss) for the financial year	**247,583**	226,090	**(265,782)**	(227,786)
Total comprehensive income/(loss)	**442,872**	235,422	**(267,816)**	(227,820)

13. SUBSIDIARIES (CONTINUED)

Investment in subsidiaries (continued)

(b) Summarised financial information before inter-company elimination is as below: (continued)

	YTL Jawa Power Holdings B.V.		YTL Communications Sdn. Bhd.	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash flow (used in)/from operating activities	**(378)**	(202,710)	**76,841**	(99,514)
Cash flow from/(used in) investing activities	**265,678**	336,433	**(320,308)**	(209,698)
Cash flow (used in)/from financing activities	**(265,639)**	(133,686)	**269,405**	305,754
Net (decrease)/increase in cash and cash equivalents	**(339)**	37	**25,938**	(3,458)
Dividends paid to NCI	**113,841**	57,292	**–**	–

(c) Acquisition of subsidiary

On 1 August 2014, YTL Communications Sdn. Bhd., a 60%-owned subsidiary of the Company completed the acquisition of 1,500,000 ordinary shares of RM1.00 each representing 60% of the issued and paid-up share capital of Konsortium Jaringan Selangor Sdn. Bhd. for an aggregate consideration of RM49,485,000 as adjusted in accordance with the terms of the Share Purchase Agreement dated 2 June 2014. The fair value of identifiable assets was determined to be RM20,966,130 and NCI at acquisition date amounted to RM32,990,000 giving rise to goodwill amounting to RM61,508,870. On 4 March 2015, YTL Communications Sdn. Bhd. purchased an additional 500,000 ordinary shares of RM1.00 each, representing 20% of the issued and paid-up share capital of Konsortium Jaringan Selangor Sdn. Bhd. for an aggregate consideration of RM16,600,000.

(d) Restructuring of subsidiary

During the financial year, YTL Power Generation Sdn. Bhd. ('YTLPG'), a wholly owned subsidiary of the Company redeemed 140,000,000 preference shares of 20 sen each at a redemption value of RM13.58 per share.

As part of its reorganisation, the Company had on 26 June 2015 entered into a sale and purchase agreement with YTLPG for the acquisition of 3 ordinary shares of GBP1.00 each and 45,000 ordinary shares of USD1.00 each, representing the entire issued and paid-up share capital of YTL Utilities Limited ('YTLU') from YTLPG for a total consideration of RM9,000,000,000.

The exercise was completed on 30 June 2015 and as a result, YTLU became a direct subsidiary of the Company.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(a) Joint Ventures

	Group	
	2015	**2014**
	RM'000	**RM'000**
Unquoted shares, at cost	**500**	500
Group's share of post-acquisition reserves	**5,073**	3,404
Group's share of net assets	**5,573**	3,904

The joint venture companies are as follows:

Name of company	**Country of incorporation**	**Group's effective interest 2015 %**	**Group's effective interest 2014 %**	**Principal activities**
Attarat Mining Company B.V.	Netherlands	**50.0**	–	Dormant
Bristol Wessex Billing Services Limited	England and Wales	**50.0**	50.0	Billing services
Xchanging Malaysia Sdn. Bhd.	Malaysia	**50.0**	50.0	Mobile internet and cloud-based technology solutions

The Group's share of results of joint ventures is as below:

	Group	
	2015	**2014**
	RM'000	**RM'000**
Profit from continuing operation/Total comprehensive income	**1,669**	2,165

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

(b) Investment in associates

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Unquoted shares, at cost	**971,776**	868,480	**5**	5
Group's share of post-acquisition reserves	**854,426**	751,423	**–**	–
Accumulated impairment losses	**(23,938)**	(23,938)	**–**	–
Group's share of net assets	**1,802,264**	1,595,965	**5**	5

The associates are as follows:

Name of company	Country of incorporation	Group's effective interest 2015 %	Group's effective interest 2014 %	Principal activities
Attarat Power Holding Company B.V.	Netherlands	**30.0**	–	Dormant
P.T. Jawa Power	Indonesia	**20.0***	20.0*	Operating a coal-fired thermal power station
Enefit Jordan B.V.	Netherlands	**30.0**	30.0	Investment holding
ElectraNet Pty. Ltd.	Australia	**33.5**	33.5	Principal electricity transmission
Jimah Power Generation Sdn. Bhd.	Malaysia	**49.0**	49.0	Dormant

* The subgroup's direct interest in P.T. Jawa Power is 35%.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

(b) Investment in associates (continued)

The summarised financial information of material associates adjusted for any differences in accounting policies between the Group and the associates and reconciliation to the carrying amount of the Group's interest in the associates are as below:

(i) Summarised financial information:

	P.T. Jawa Power		ElectraNet Pty. Ltd.	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-current assets	**4,301,267**	3,757,213	**7,996,270**	7,638,353
Current assets	**996,416**	746,207	**125,273**	104,286
Non-current liabilities	**(1,243,842)**	(977,298)	**(5,498,498)**	(5,410,711)
Current liabilities	**(198,044)**	(207,337)	**(1,432,083)**	(1,133,398)
Net assets	**3,855,797**	3,318,785	**1,190,962**	1,198,530
Profit for the financial year	**709,069**	656,014	**112,683**	54,039
Other comprehensive loss	**–**	–	**(43)**	(71,904)
Total comprehensive income/(loss)	**709,069**	656,014	**112,640**	(17,865)
Included in the total comprehensive income is:				
Revenue	**2,045,001**	1,930,149	**979,455**	941,926
Other information:				
Dividends received from associate	**265,678**	280,172	**24,792**	20,177

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

(b) Investment in associates (continued)

The summarised financial information of material associates adjusted for any differences in accounting policies between the Group and the associates and reconciliation to the carrying amount of the Group's interest in the associates are as below: (continued)

(ii) Reconciliation of net assets to carrying amount:

	P.T. Jawa Power		ElectraNet Pty. Ltd.		Total	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Opening net assets, 1 July	**3,318,785**	3,597,644	**1,198,530**	1,243,288	**4,517,315**	4,840,932
Profit for the financial year	**709,069**	656,014	**112,683**	54,039	**821,752**	710,053
Other comprehensive loss	**–**	–	**(43)**	(71,904)	**(43)**	(71,904)
Repayment of loan stock	**–**	(135,671)	**–**	–	**–**	(135,671)
Foreign exchange differences	**587,023**	1,289	**(46,202)**	33,338	**540,821**	34,627
Dividend paid	**(759,080)**	(800,491)	**(74,006)**	(60,231)	**(833,086)**	(860,722)
Closing net assets, 30 June	**3,855,797**	3,318,785	**1,190,962**	1,198,530	**5,046,759**	4,517,315
Interest in associates	**35.0%**	35.0%	**33.5%**	33.5%		
Carrying amount	**1,349,529**	1,161,575	**398,972**	401,508	**1,748,501**	1,563,083

The individually immaterial associate's carrying amount is RM53.8 million (2014: RM32.9 million) and the Group's share of profits, total comprehensive income is RM7.2 million (2014: RM0.7 million).

15. INVESTMENTS

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Available-for-sale financial assets	**276,418**	242,517	**271,158**	237,686

15. INVESTMENTS (CONTINUED)

The investments are in relation to the following:

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Equity investments (quoted in Malaysia)	**51,146**	47,261	**51,146**	47,261
Equity investments (quoted outside Malaysia)	**25**	22	–	–
Equity investments (unquoted outside Malaysia)	**5,185**	4,759	–	–
Equity investments (unquoted in Malaysia)	**220,062**	190,475	**220,012**	190,425
	276,418	242,517	**271,158**	237,686

A gain arising from the changes in fair value of available-for-sale financial assets during the financial year of RM33.5 million (2014: gain of RM46.5 million) and a gain of RM33.5 million (2014: gain of RM46.5 million) was recognised as other comprehensive income in the Statement of Comprehensive Income of the Group and the Company, respectively.

16. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Non-current				
Prepayments	**22,878**	60,966	–	–
Receivables from associate[#]	**274,902**	291,068	–	–
Deposits	**984**	899	–	–
Accrued income	**435**	895	–	–
Amount recoverable from supplier*	–	261,056	–	–
	299,199	614,884	–	–
Current				
Trade receivables	**1,480,405**	1,463,878	–	–
Less: Allowance for impairment of trade receivables	**(266,011)**	(216,869)	–	–
Total trade receivables (net)	**1,214,394**	1,247,009	–	–
Other receivables	**160,513**	86,331	**1,328**	4,405
Accrued income	**437,047**	381,313	–	–
Amount recoverable from supplier*	**303,976**	–	–	–
Deposits	**27,639**	24,862	**663**	490
Interest receivable	**5,571**	3,753	**721**	119
Prepayments	**143,786**	240,406	–	–
	2,292,926	1,983,674	**2,712**	5,014

16. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

Receivables from associate comprise of three loan notes to an associate. The notes have been issued by an associate in accordance to a loan note facility agreement. These receivables will mature in October 2030. Contingent interests are receivable on loan notes to the extent that there is sufficient available cash. In the event that cash is insufficient, interest will be accrued.

* A subsidiary of the Group had entered into the Agreement for the Sale and Purchase of Dry Gas ('Agreement') on 15 March 1993. Under this agreement, the price of gas to be supplied is calculated by reference to a market price-related formula. However, since 1 May 1997, the Government of Malaysia has fixed the price of gas and accordingly, the market price-related formula applicable under the Agreement has not been used by the gas supplier. The gas supplier unilaterally withdrew a discount provided for under the market price-related formula and as a consequence, a dispute arose over whether the discount is, in the circumstances, applicable under the Agreement.

The subsidiary has commenced arbitration against the gas supplier for recovery of sums over-invoiced by the gas supplier in respect of the discount. A Notice of Arbitration was issued on 31 March 2014 and evidential hearings were completed on 6 March 2015.

Subsequent to financial year end, an award was issued in favour of the subsidiary for recovery of the amount in dispute. On 29 July 2015, the gas supplier filed an Originating Summons to set aside or to vary the award under the relevant provisions of the Arbitration Act, 2005. On 21 August 2015, the subsidiary filed a Notice of Application to the High Court to strike out or dismiss the Originating Summons as the Board has been advised that the application to set aside or vary the award has no merit. The hearing dates have yet to be fixed. The Directors have been advised that there is more than a reasonable prospect that the amount of RM304 million paid under protest would be recoverable.

Credit terms of trade receivables are average at 30 days (2014: 30 days). The Group's historical experience in collecting trade receivables falls largely within this period. On this basis, the Directors believe that no additional credit risk beyond the amounts provided for collection losses is inherent in the Group's trade receivables.

The ageing analysis of the Group's and Company's receivables (excluding prepayments) is as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Neither past due nor impaired	**1,595,279**	1,633,923	**2,712**	5,014
1 to 90 days past due not impaired	**236,559**	209,999	**–**	–
91 to 120 days past due not impaired	**35,690**	28,537	**–**	–
More than 120 days past due not impaired	**557,933**	424,727	**–**	–
Total past due not impaired	**830,182**	663,263	**–**	–
	2,425,461	2,297,186	**2,712**	5,014

16. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

Balances past due but not impaired are related to a number of customers which management has assessed that there is no recent history of default.

The credit quality of receivables that are neither past due nor impaired can be assessed by reference to external credit ratings (where available) as follows:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
With credit ratings (Moody's/RAM):				
– AAA	**146,755**	143,619	–	–
– P1	**2,087**	2,204	**721**	119
Without external credit ratings	**1,446,437**	1,488,100	**1,991**	4,895
	1,595,279	1,633,923	**2,712**	5,014

Receivables without external rating reflect the economic prosperity of the commercial and domestic counterparties across their respective region. These receivables are generally due from counterparties with good payment history.

Receivables amounting to RM94.2 million (2014: RM86.1 million) are secured by financial guarantees given by banks and RM14.3 million (2014: RM12.1 million) are secured by cash collateral.

Movements on the Group's allowance for impairment of receivables are as follows:

	Group Trade receivables		Group Other receivables	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At 1 July	**216,869**	185,125	**149,390**	102,605
Exchange differences	**21,585**	23,162	**17**	–
Written off during the financial year as uncollectible	**(41,054)**	(64,326)	–	–
Allowance for impairment of receivables (net of reversals)	**68,611**	72,908	**257**	46,785
At 30 June	**266,011**	216,869	**149,664**	149,390

The impaired receivables are from counterparties in financial difficulties. These receivables are not secured by collateral or credit enhancements.

The fair value of receivables approximates their carrying amounts.

17. INVENTORIES

Inventories comprise:

	Group 2015 RM'000	Group 2014 RM'000
At cost		
Finished goods	**31,340**	42,273
Spare parts	**124,672**	114,080
Raw materials	**20,750**	16,464
Work in progress	**46,845**	31,322
Fuel	**216,811**	227,228
At fair value less cost to sell		
Fuel	–	17,714
	440,418	449,081

The cost of inventories recognised as expense and included in 'cost of sales' amounted to RM723 million (2014: RM874 million).

18. DERIVATIVE FINANCIAL INSTRUMENTS

The Group's derivative financial instruments are analysed as follows:

Group	Contract/ Notional amount RM'000	Fair value Assets RM'000	Fair value Liabilities RM'000
2015			
Cash flows hedges:			
– Fuel oil swaps	**1,868,333**	**17,558**	**(414,194)**
– Currency forwards	**2,038,440**	**102,329**	**(5,547)**
Fair value through profit or loss:			
– Fuel oil swaps	**256,141**	**4,904**	**(16,977)**
– Currency forwards	**168,403**	**1,390**	**(841)**
		126,181	**(437,559)**
Current portion		**84,903**	**(304,263)**
Non-current portion		**41,278**	**(133,296)**
		126,181	**(437,559)**

18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The Group's derivative financial instruments are analysed as follows: (continued)

Group	Contract/ Notional amount RM'000	Fair value Assets RM'000	Fair value Liabilities RM'000
2014			
Cash flows hedges:			
– Fuel oil swaps	1,785,786	33,534	(6,473)
– Currency forwards	2,043,398	5,472	(16,164)
– Interest rate swaps	281,127	–	(3,625)
Fair value through profit or loss:			
– Fuel oil swaps	315,843	8,515	(835)
– Currency forwards	324,841	384	(2,176)
		47,905	(29,273)
Current portion		30,590	(20,327)
Non-current portion		17,315	(8,946)
		47,905	(29,273)

The changes in fair value that arose from fair value through profit or loss during the financial year that was recognised in the Income Statement amounted to a gain of RM3.7 million (2014: loss of RM2.6 million), while there is no gain or loss (2014: gain of RM2.3 million) was recognised in the Income Statement on the ineffective portion of cash flows hedges.

Financial period when the cash flows on cash flow hedges are expected to occur or affect the Income Statement:

(a) Fuel oil swaps

Fuel oil swaps are entered into to hedge highly probable forecast fuel purchases that are expected to occur at various dates within 41 months (2014: 50 months) from financial year end. The fuel oil swaps have maturity dates that match the expected occurrence of these transactions. Gains and losses recognised in the hedging reserve prior to the occurrence of these transactions are transferred to the inventory of fuels upon acquisition or cost of sales upon consumption of natural gas. The gains and losses relating to fuel oil inventory are subsequently recognised in the Income Statement upon consumption of the underlying fuels.

The fair values of fuel oil swaps are determined using the quoted market prices for similar instruments.

18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(b) Currency forwards

Currency forwards are entered into to hedge highly probable forecast transactions denominated in foreign currency expected to occur at various dates within 43 months (2014: 52 months) from financial year end. The currency forwards have maturity dates that match the expected occurrence of these transactions.

Gains and losses relating to highly probable forecast fuel payments are recognised in the hedging reserve prior to the occurrence of these transactions and are transferred to the inventory of fuels upon acquisition or cost of sales upon consumption of natural gas. The gains and losses relating to fuel oil inventory are subsequently transferred to Income Statement upon consumption of the underlying fuels.

For those currency forwards used to hedge highly probable forecast foreign currency payments of purchases of property, plant and equipment, the gains and losses are included in the cost of the assets and recognised in the Income Statement over their estimated useful lives as part of depreciation expense.

For those currency forwards used to hedge highly probably forecast foreign currency transactions for maintenance contracts, the gains and losses are included in payments and recognised in the Income Statement over the period of the contracts.

The fair values of forward currency contracts are determined using actively quoted forward currency rates.

(c) Interest rate swaps

Interest rate swaps are entered into to hedge floating semi-annual interest payments on borrowings. Since the borrowings are obtained specifically for the construction of property, plant and equipment, the interest on these borrowings along with the net interest on the interest swaps are capitalised. The interest payments are included in the cost of the assets and recognised in the Income Statement over their estimated useful lives as part of depreciation expense.

The fair values of interest rate swaps are calculated using the present value of the estimated future cash flows.

19. AMOUNTS OWING BY/(TO) IMMEDIATE HOLDING COMPANY AND ULTIMATE HOLDING COMPANY

The amounts owing by/(to) the immediate holding company and ultimate holding company relate to expenses paid on behalf of/by the Group and the Company. The outstanding amounts are unsecured, repayable on demand and are interest-free.

20. AMOUNTS OWING BY/(TO) SUBSIDIARIES

The amounts payable within 12 months are in respect of advances and operational expense payments made by a subsidiary on behalf of the Company.

The amounts owing by/(to) subsidiaries within 12 months are interest free, unsecured, and repayable on demand except for advances of RM1,648,325,489 (2014: RM377,711,188) which bear interest rates ranging from 1.39% to 4.51% (2014: 4.42% to 4.56%). The remaining amounts receivable within 12 months are in respect of operational expense payments which made on behalf of subsidiaries.

As at 30 June 2015, Company has given corporate guarantees of RM162,538,210 (2014: RM147,431,646) to financial institutions for letter of credit facilities utilised by its subsidiaries.

21. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Statements of Cash Flows comprise the following:

		Group		Company	
	Note	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Deposits with licensed banks		**9,358,025**	8,342,360	**608,991**	245,239
Cash and bank		**250,323**	615,875	**649**	2,252
Cash and bank balances		**9,608,348**	8,958,235	**609,640**	247,491
Bank overdrafts	25(a)	**(85,110)**	(67,312)	**–**	–
Cash and cash equivalents		**9,523,238**	8,890,923	**609,640**	247,491

The range of interest rates of deposits that was effective as at the reporting date is as follows:

	Group		Company	
	2015 %	2014 %	2015 %	2014 %
Deposits with licensed banks	**0.01 – 3.95**	0.03 – 3.50	**3.25 – 3.95**	3.05 – 3.40

Deposits of the Group and the Company have maturity ranging from 1 day to 90 days (2014: 2 days to 63 days).

Bank balances are deposits held at call with banks.

The Group and the Company seek to invest cash and cash equivalents safely and profitably with creditworthy local and offshore licensed banks. The local and offshore licensed banks have a credit rating of P1 as rated by RAM Rating Services Bhd. and Moody's Investors Service, Inc. respectively.

22. SHARE CAPITAL

	Group and Company 2015 RM'000	2014 RM'000
Authorised:		
At the beginning and end of the financial year:		
– 22,730,000,000 ordinary shares of RM0.50 each	**11,365,000**	11,365,000
Issued and fully paid:		
At the beginning of the financial year:		
– 7,177,247,247 (2014: 7,338,067,262) ordinary shares of RM0.50 each	**3,588,624**	3,669,034
Exercise of share warrants:		
– 244,402,188 (2014: 89,179,985) ordinary shares of RM0.50 each	**122,201**	44,590
Treasury share cancellation:		
– Nil (2014: 250,000,000) ordinary shares of RM0.50 each	–	(125,000)
At the end of the financial year:		
– 7,421,649,435 (2014: 7,177,247,247) ordinary shares of RM0.50 each	**3,710,825**	3,588,624

The issued and fully paid up share capital of the Company had increased from RM3,588,623,624 to RM3,710,824,718 following the exercise of 244,402,188 Warrants at an exercise price of RM1.14 per Warrant on the basis of one (1) new ordinary share for one (1) Warrant. The new ordinary shares of 50 sen each rank pari passu in all respects with the existing issued shares of the Company.

Of the total 7,421,649,435 (2014: 7,177,247,247) issued and fully paid ordinary shares at 30 June 2015, the Company holds 384,264,579 (2014: 384,262,579) shares as treasury shares. As at 30 June 2015, the number of ordinary shares in issue and fully paid after offsetting treasury shares are 7,037,384,856 (2014: 6,792,984,668).

(a) Warrants 2008/2018

On 18 April 2008, the Company issued 1,776,371,304 detachable warrants ('Warrant') to its registered shareholders.

The Warrants were constituted under a Deed Poll dated 5 May 2008 and each Warrant entitles its registered shareholder to subscribe for one (1) new ordinary share of RM0.50 each in the Company at the exercise price of RM1.25 payable in cash. The exercise price is subject to adjustments in accordance with the basis set out in the deed poll.

Effective from 22 September 2008, the exercise price of Warrant was adjusted from RM1.25 to RM1.21 pursuant to the share dividend of one (1) treasury share for every forty (40) existing ordinary shares of 50 sen each.

22. SHARE CAPITAL (CONTINUED)

(a) Warrants 2008/2018 (continued)

Further to the announcement of 20 February 2014 in relation to the share dividend of one (1) treasury share for every twenty (20) existing ordinary shares of RM0.50 each held in YTL Power, the exercise price of Warrant was adjusted from RM1.21 to RM1.14.

The Warrants may be exercised at any time commencing on the date of issue of Warrants on 12 June 2008 but not later than 11 June 2018. Any Warrants which have not been exercised at date of maturity will lapse and cease to be valid for any purpose.

The total numbers of Warrants that remain unexercised are as follows:

	Group and Company	
	2015	**2014**
	'000	**'000**
At 1 July	**1,076,600**	1,165,780
Exercise of Warrants	**(244,402)**	(89,180)
At 30 June	**832,198**	1,076,600

(b) Employees' Share Option Scheme 2011 ("ESOS")

On 1 April 2011, the Company implemented a new share issuance scheme known as the Employees' Share Option Scheme which was approved by the shareholders of the Company at an Extraordinary General Meeting held on 30 November 2010. The ESOS is valid for a period of ten (10) years and is for employees and Directors of the Company and/or its subsidiaries who meet the criteria of eligibility for participation as set out in the by-laws of the ESOS ("By-Laws"). The salient terms of the ESOS are as follows:

(i) The maximum number of shares to be allotted and issued pursuant to the exercise of the options which may be granted under the ESOS shall not exceed fifteen per cent (15%) of the total issued and paid-up share capital of the Company at the point of time throughout the duration of the ESOS.

(ii) Any employee (including the Directors) of the Group shall be eligible to participate in the ESOS if, as at the date of offer of an option ('Offer Date'), the person:

(a) has attained the age of eighteen (18) years;

(b) is a Director or an employee employed by and on payroll of a company within the Group; and

(c) in the case of employees, has been in the employment of the Group for a period of at least one (1) year of continuous service prior to and up to the Offer Date, including service during the probation period, and is confirmed in service. The Options Committee (as defined in the By-Laws) may, at its discretion, nominate any employee (including Directors) of the Group to be an eligible employee despite the eligibility criteria under Clause 3.1(iii) of the By-Laws not being met, at any time and from time to time.

22. SHARE CAPITAL (CONTINUED)

(b) Employees' Share Option Scheme 2011 ("ESOS") (continued)

(iii) The subscription price for shares under the ESOS shall be determined by the Board of Directors of the Company upon recommendation of the Options Committee and shall be fixed based on the higher of the following:

(a) the weighted average market price of shares, as quoted on Bursa Securities, for the five (5) market days immediately preceding the Offer Date (as defined in the By-Laws) of the options with a discount of not more than ten per cent (10%), if deemed appropriate, or such lower or higher limit in accordance with any prevailing guidelines issued by Bursa Malaysia Securities Berhad, or any other relevant authorities as amended from time to time; or

(b) the par value of the shares (or such other par value as may be permitted by the provision of the Companies Act, 1965).

(iv) Subject to By-Law 13, the Options Committee may, at any time and from time to time, before or after an option is granted, limit the exercise of the option to a maximum number of new ordinary shares of the Company and/or such percentage of the total ordinary shares of the Company comprised in the options during such financial period(s) within the option period and impose any other terms and/or conditions deemed appropriate by the Options Committee in its sole discretion including amending/varying any terms and conditions imposed earlier. Notwithstanding the above, and subject to By-Laws 10 and 11, the options can only be exercised by the grantee no earlier than three (3) years after the Offer Date or such other period as may be determined by the Options Committee at its absolute discretion, by notice in writing to the Options Committee, provided however that the Options Committee may at its discretion or upon the request in writing by the grantee allow the options to be exercised at any earlier or other period.

(v) A grantee shall be prohibited from disposing of the new ordinary shares of the Company allotted and issued to him for a period of one (1) year from the date on which the option is exercised or such other period as may be determined by the Options Committee at its absolute discretion.

(vi) The person to whom the option has been granted has no right to participate by virtue of the option in any share of any other company.

The movement during the financial year in the number of share option of the Company is as follows:

			Number of share options				
Grant date	Expiry date	Exercise price RM/share	At start of the financial year '000	Granted '000	Exercised '000	Lapsed '000	At end of the financial year '000
01.06.2012	31.03.2021	1.41	92,857	–	–	(4,675)	88,182
01.06.2012	31.03.2021	1.65	40,303	–	–	(1,262)	39,041
			133,160	**–**	**–**	**(5,937)**	**127,223**

The fair value of options granted in which MFRS 2 applies, were determined using the Trinomial Valuation model.

22. SHARE CAPITAL (CONTINUED)

(b) Employees' Share Option Scheme 2011 ("ESOS") (continued)

Value of employee services received for issue of share options:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Share option expenses	**7,074**	8,610	**7,074**	8,610
Allocation to subsidiaries	**–**	–	**(5,538)**	(6,920)
Total share option expenses	**7,074**	8,610	**1,536**	1,690

The principal valuation assumptions used in respect of the Group's employee's share option scheme were as follows:

Weighted average share price at date of grant (per share)	RM1.63
Expected volatility	21.21%
Expected dividend yield	5.56%
Expected option life	3 years
Risk-free interest rate per annum (based on Malaysian securities bonds)	3.14%

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

The options granted to employee were vested on 1st June 2015.

23. RESERVES

(a) Other reserves (Group)

	Capital redemption reserve[1] RM'000	Capital reserve RM'000	Available-for-sale reserve RM'000	Hedging reserve RM'000	Statutory reserve[2] RM'000	Share option reserve RM'000	Warrant reserve RM'000	Total other reserves RM'000
At 1 July 2014	**145,000**	**918**	**99,332**	**(31,774)**	**27,414**	**18,849**	**107,662**	**367,401**
Exchange differences	**–**	**165**	**2**	**(18,806)**	**4,910**	**–**	**–**	**(13,729)**
Fair value gain/(loss)	**–**	**–**	**33,473**	**(595,788)**	**–**	**–**	**–**	**(562,315)**
Reclassification	**–**	**–**	**–**	**251,685**	**–**	**–**	**–**	**251,685**
Share option expenses	**–**	**–**	**–**	**–**	**–**	**7,074**	**–**	**7,074**
Share option lapsed	**–**	**–**	**–**	**–**	**–**	**(22)**	**–**	**(22)**
Conversion of warrants	**–**	**–**	**–**	**–**	**–**	**–**	**(24,440)**	**(24,440)**
At 30 June 2015	**145,000**	**1,083**	**132,807**	**(394,683)**	**32,324**	**25,901**	**83,222**	**25,654**
At 1 July 2013	20,000	909	52,793	(48,977)	27,141	10,239	116,579	178,684
Exchange differences	–	9	2	(1,935)	273	–	–	(1,651)
Fair value gain	–	–	46,537	12,646	–	–	–	59,183
Reclassification	–	–	–	6,492	–	–	–	6,492
Share option expenses	–	–	–	–	–	8,610	–	8,610
Cancellation of shares	125,000	–	–	–	–	–	–	125,000
Conversion of warrants	–	–	–	–	–	–	(8,917)	(8,917)
At 30 June 2014	145,000	918	99,332	(31,774)	27,414	18,849	107,662	367,401

23. RESERVES (CONTINUED)

(a) Other reserves (Company)

	Available-for-sale reserve RM'000	Share option reserve RM'000	Warrant reserve RM'000	Capital redemption reserve[1] RM'000	Total other reserves RM'000
At 1 July 2014	**99,314**	**18,849**	**107,662**	**125,000**	**350,825**
Fair value gain	**33,472**	**–**	**–**	**–**	**33,472**
Share option expenses	**–**	**7,074**	**–**	**–**	**7,074**
Share option lapsed	**–**	**(22)**	**–**	**–**	**(22)**
Conversion of warrants	**–**	**–**	**(24,440)**	**–**	**(24,440)**
At 30 June 2015	**132,786**	**25,901**	**83,222**	**125,000**	**366,909**
At 1 July 2013	52,780	10,239	116,579	–	179,598
Fair value gain	46,534	–	–	–	46,534
Share option expenses	–	8,610	–	–	8,610
Conversion of warrants	–	–	(8,917)	–	(8,917)
Cancellation of shares	–	–	–	125,000	125,000
At 30 June 2014	99,314	18,849	107,662	125,000	350,825

Note:

[1] Capital redemption reserve has been set up for purposes of redemption of preference shares in a subsidiary and cancellation of treasury shares.

[2] This represents reserves which need to be set aside pursuant to local statutory requirement of foreign associates.

(b) Treasury shares

The shareholders of the Company, by a resolution passed in the 18th Annual General Meeting held on 25 November 2014, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company repurchased 2,000 (2014: 721,904,100) of its issued share capital from the open market. The average price paid for the shares repurchased was RM1.58 per share (2014: RM1.85 per share). The repurchase transactions were financed by internally generated funds. The repurchased shares are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

The Company has cancelled 250,000,000 treasury shares and distributed a total of 323,463,166 treasury shares as share dividend during last financial year.

24. DEFERRED TAXATION

The following amounts, determined after appropriate offsetting, are shown in the Statements of Financial Position:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Deferred tax liabilities, net	**2,105,425**	1,958,946	**68**	72

The gross movement on the deferred income tax account is as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Deferred tax liabilities	**2,105,425**	1,958,946	**68**	72
At 1 July	**1,958,946**	2,131,234	**72**	65
Exchange differences	**174,784**	190,317	**–**	–
Acquisition of subsidiary	**10,137**	–	**–**	–
(Credited)/Charged to Income Statement	**(10,869)**	(387,555)	**(4)**	7
(Credited)/Charged to Other Comprehensive Income*	**(27,573)**	24,950	**–**	–
At 30 June	**2,105,425**	1,958,946	**68**	72

* This is in relation to remeasurement of post-employment benefit obligations.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Subject to income tax				
Deferred tax assets before offsetting:				
– Retirement benefits	**147,619**	109,745	**–**	–
– Provision	**134**	5,870	**–**	–
– Others	**872**	–	**–**	–
	148,625	115,615	**–**	–
Offsetting	**(148,625)**	(115,615)	**–**	–
Deferred tax assets after offsetting	**–**	–	**–**	–

24. DEFERRED TAXATION (CONTINUED)

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Deferred tax liabilities before offsetting:				
– Property, plant and equipment	**2,235,344**	2,060,455	**68**	72
– Others	**18,706**	14,106	**–**	–
	2,254,050	2,074,561	**68**	72
Offsetting	**(148,625)**	(115,615)	**–**	–
Deferred tax liabilities after offsetting	**2,105,425**	1,958,946	**68**	72

25. BORROWINGS

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Current					
Bank overdrafts	25(a),21	**85,110**	67,312	**–**	–
Bonds	25(b)	**–**	300,000	**–**	–
Committed bank loans	25(c)	**5,065**	16,192	**–**	–
Finance lease	25(d)	**46,807**	65,746	**–**	–
Revolving credit	25(e)	**900,000**	900,000	**–**	–
Term loans	25(f)	**789,011**	640,975	**–**	–
Trade facilities and others	25(g)	**84,422**	72,694	**–**	–
		1,910,415	2,062,919	**–**	–
Non-current					
Bonds	25(b)	**14,061,070**	12,206,175	**4,752,660**	3,747,156
Finance lease	25(d)	**87,504**	219,401	**–**	–
Revolving credit	25(e)	**1,955,471**	1,784,421	**–**	–
Term loans	25(f)	**7,313,310**	7,247,363	**757,100**	–
		23,417,355	21,457,360	**5,509,760**	3,747,156

Notes to the Financial Statements
for the financial year ended 30 June 2015

25. BORROWINGS (CONTINUED)

		Group		Company	
	Note	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Total					
Bank overdrafts	25(a),21	**85,110**	67,312	**–**	–
Bonds	25(b)	**14,061,070**	12,506,175	**4,752,660**	3,747,156
Committed bank loans	25(c)	**5,065**	16,192	**–**	–
Finance lease	25(d)	**134,311**	285,147	**–**	–
Revolving credit	25(e)	**2,855,471**	2,684,421	**–**	–
Term loans	25(f)	**8,102,321**	7,888,338	**757,100**	–
Trade facilities and others	25(g)	**84,422**	72,694	**–**	–
		25,327,770	23,520,279	**5,509,760**	3,747,156

All borrowings of the subsidiaries are unsecured and on a non-recourse basis to the Company save and except for borrowings totalling RM1,656,153,625 (2014: RM2,179,929,194), for which the Company has provided corporate guarantees to the financial institutions.

The weighted average effective interest rate of the borrowings of the Group and the Company as at reporting date is as follows:

	Group		Company	
	2015 %	2014 %	2015 %	2014 %
Bank overdrafts	**1.50**	1.50	**–**	–
Bonds	**4.34**	4.59	**4.52**	4.42
Committed bank loans	**1.05**	1.14	**–**	–
Finance lease	**1.46**	1.46	**–**	–
Revolving credit	**2.58**	2.12	**–**	–
Term loans	**1.69**	1.20	**1.39**	–
Trade facilities and others	**2.03**	1.73	**–**	–

25. BORROWINGS (CONTINUED)

The financial periods in which the borrowings of the Group attain maturity are as follows:

Group	Not later than 1 year RM'000	Later than 1 year but not later than 5 years RM'000	Later than 5 years RM'000	Total RM'000
At 30 June 2015				
Bank overdrafts	**85,110**	**–**	**–**	**85,110**
Bonds	**–**	**2,182,660**	**11,878,410**	**14,061,070**
Committed bank loans	**5,065**	**–**	**–**	**5,065**
Finance lease	**46,807**	**87,504**	**–**	**134,311**
Revolving credit	**900,000**	**1,955,471**	**–**	**2,855,471**
Term loans	**789,011**	**5,973,952**	**1,339,358**	**8,102,321**
Trade facilities and others	**84,422**	**–**	**–**	**84,422**
	1,910,415	**10,199,587**	**13,217,768**	**25,327,770**
At 30 June 2014				
Bank overdrafts	67,312	–	–	67,312
Bonds	300,000	2,177,156	10,029,019	12,506,175
Committed bank loans	16,192	–	–	16,192
Finance lease	65,746	219,401	–	285,147
Revolving credit	900,000	1,784,421	–	2,684,421
Term loans	640,975	4,533,999	2,713,364	7,888,338
Trade facilities and others	72,694	–	–	72,694
	2,062,919	8,714,977	12,742,383	23,520,279

The financial periods in which the borrowings of the Company attain maturity are as follows:

Company	Not later than 1 year RM'000	Later than 1 year but not later than 5 years RM'000	Later than 5 years RM'000	Total RM'000
At 30 June 2015				
Bonds	**–**	**2,182,660**	**2,570,000**	**4,752,660**
Term loan	**–**	**757,100**	**–**	**757,100**
	–	**2,939,760**	**2,570,000**	**5,509,760**
At 30 June 2014				
Bonds	–	2,177,156	1,570,000	3,747,156

25. BORROWINGS (CONTINUED)

The carrying amounts of borrowings of the Group and the Company at the reporting date approximated their fair values except for the bonds.

The fair value of the bonds of the Group and the Company as at the reporting date is as set out below:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Medium Term Notes	**4,792,128**	3,714,853	**4,792,128**	3,714,853
3.52% Retail Price Index Guaranteed Bonds	**302,463**	301,106	–	–
5.75% Guaranteed Unsecured Bonds	**2,599,306**	2,273,931	–	–
5.375% Guaranteed Unsecured Bonds	**1,405,313**	1,237,774	–	–
1.75% Index Linked Guaranteed Bonds	**1,402,249**	1,473,790	–	–
1.369% and 1.374% Index Linked Guaranteed Bonds	**1,462,953**	1,361,222	–	–
1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds	**1,490,517**	1,353,949	–	–
2.186% Index Linked Guaranteed Bonds	**400,232**	312,811	–	–
4% Guaranteed Unsecured Bonds	**1,903,316**	1,701,863	–	–
	15,758,477	13,731,299	**4,792,128**	3,714,853

The fair values are within Level 1 of the fair value hierarchy.

(a) Bank overdrafts

Bank overdrafts of RM85,110,026 (GBP14,297,718) (2014: RM67,311,678 (GBP12,311,911)) are unsecured borrowings of Wessex Water Services Limited, Wessex Water Limited and SC Technology Nederlands B.V.. The overdrafts are repayable in full on demand. All bank overdrafts bear interest rate of 1.5% per annum.

(b) Bonds

(i) Medium Term Notes ('MTN')

The MTN of the Company were issued pursuant to a Medium Term Notes programme of up to RM5,000,000,000 constituted by a Trust Deed and MTN Agreement, both dated 11 August 2011.

During the financial year, the Company had drawn down RM700,000,000 and RM300,000,000 of MTN bearing interest payable semi-annually. The facility bears interest rates ranging from 4.35% to 4.95% (2014: 4.35% to 4.62%) per annum. A MTN of RM550,000,000 has been repaid during last financial year.

The MTN of YTL Power Generation Sdn. Bhd., a subsidiary of the Group, were issued pursuant to a Medium Term Notes programme of up to RM1,300,000,000 constituted by a Trust Deed and Facility Agreement, both dated 9 July 2003. Interest is payable semi-annually. The facility bears interest rate at 4.05% (2014: 4.05%) per annum. MTN of RM300,000,000 (2014: RM300,000,000) has been repaid during the financial year.

25. BORROWINGS (CONTINUED)

(b) Bonds (continued)

(ii) 3.52% Retail Price Index Guaranteed Bonds ('RPIG Bonds')

The RPIG Bonds of Wessex Water Services Finance Plc. bear interest semi-annually on 30 January and 30 July at an interest rate of 3.52% initially, indexed up by the inflation rate every year. The effective interest rate as at 30 June 2015 is 5.50%, (2014: 6.17%) per annum. The RPIG Bonds will be redeemed in full by Issuer on 30 July 2023 at their indexed value together with all accrued interest.

(iii) 5.75% Guaranteed Unsecured Bonds

On 15 October 2003, Wessex Water Services Finance Plc. ('Issuer'), a subsidiary of the Group, issued GBP350,000,000 nominal value 5.75% Guaranteed Unsecured Bonds due 2033 ('5.75% GU Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited, a subsidiary of the Group. The 5.75% GU Bonds are constituted under a Trust Deed dated 15 October 2003. The nominal value of 5.75% GU Bonds issued amounted to GBP350,000,000, and as at 30 June 2015 GBP346,689,488 (2014: GBP345,614,692) remained outstanding, net of amortised fees and discount. The net proceeds of the 5.75% GU Bonds were used for refinancing of existing financial indebtedness and for general corporate purposes.

The Bonds bear interest at 5.75% per annum, payable annually on 14 October of each year. The bonds will be redeemed in full by the Issuer on 14 October 2033 at their nominal value together with all accrued interest.

(iv) 5.375% Guaranteed Unsecured Bonds

On 10 March 2005, Wessex Water Services Finance Plc. ('Issuer'), a subsidiary of the Group, issued GBP200,000,000 nominal value 5.375% Guaranteed Unsecured Bonds due 2028 ('5.375% GU Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'), a subsidiary of the Group. The 5.375% GU Bonds are constituted under a Trust Deed dated 10 March 2005.

The nominal value of 5.375% GU Bonds issued amounted to GBP200,000,000, of which GBP198,677,077 (2014: GBP198,200,754) remained outstanding as at 30 June 2015, net of amortised fees and discount. The net proceeds of the bonds were used for refinancing of existing financial indebtedness and for general corporate purposes.

The Bonds bear interest at 5.375% per annum, payable annually on 10 March of each year. The bonds will be redeemed in full by the Issuer on 10 March 2028 at their nominal value together with all accrued interest.

(v) 1.75% Index Linked Guaranteed Bonds

On 31 July 2006, Wessex Water Services Finance Plc. ('Issuer') issued two (2) tranches of GBP75,000,000 nominal value 1.75% Index Linked Guaranteed Bonds ('ILG Bonds 1') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'). The ILG Bonds 1 was each constituted under a Trust Deed dated 31 July 2006 and is unsecured.

The ILG Bonds 1 bear interest semi-annually on 31 January and 31 July at an interest rate of 1.75% initially, indexed up by the inflation rate every year. The effective interest rate as at 30 June 2015 is 3.73% (2014: 4.40%) per annum. The bonds will be redeemed in full by the Issuer on 31 July 2046 for one tranche, and 31 July 2051 for the other tranche at their indexed value together with all accrued interest.

25. BORROWINGS (CONTINUED)

(b) Bonds (continued)

(vi) 1.369% and 1.374% Index Linked Guaranteed Bonds

On 31 January 2007, Wessex Water Services Finance Plc. ('Issuer') issued GBP75,000,000 nominal value 1.369% Index Linked Guaranteed Bonds and GBP75,000,000 nominal value 1.374% Index Linked Guaranteed Bonds, both due 2057 ('ILG Bonds 2') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'). The ILG Bonds 2 were each constituted under a Trust Deed dated 31 January 2007 and are unsecured.

The ILG Bonds 2 bear interest semi-annually on 31 January and 31 July at an interest rate of 1.369% and 1.374% initially, indexed up by the inflation rate every year. The effective interest rate as at 30 June 2015 is 3.35% (2014: 4.02%) per annum. The bonds will be redeemed in full by the Issuer on 31 July 2057 at their indexed value together with all accrued interest.

(vii) 1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds

On 28 September 2007, Wessex Water Services Finance Plc. ('Issuer') issued GBP50,000,000 nominal value 1.489% Index Linked Guaranteed Bonds, GBP50,000,000 nominal value 1.495% Index Linked Guaranteed Bonds and GBP50,000,000 nominal value 1.499% Index Linked Guaranteed Bonds, all due 2058 ('ILG Bonds 3') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'). The ILG Bonds 3 were each constituted under a Trust Deed dated 28 September 2007 and are unsecured.

The ILG Bonds 3 bear interest semi-annually on 29 November and 29 May at an interest rate of 1.489%, 1.495% and 1.499% initially, indexed up by the inflation rate every year. The effective interest rate as at 30 June 2015 is 2.39% (2014: 3.94%) per annum. The ILG Bonds will be redeemed in full by the Issuer on 29 November 2058 at their indexed value together with all accrued interest.

(viii) 2.186% Index Linked Guaranteed Bonds

On 7 September 2009, Wessex Water Services Finance Plc. ('Issuer') issued GBP50,000,000 nominal value 2.186% Index Linked Guaranteed Bonds due 2039 ('ILG Bonds 4') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'). The ILG Bonds 4 were constituted under a Trust Deed dated 7 September 2009 and are unsecured.

The ILG Bonds 4 bear interest semi-annually on 1 December and 1 June at an interest rate of 2.186% initially, indexed up by the inflation rate every half year. The effective interest rate as at 30 June 2015 is 1.99% (2014: 3.34%) per annum. The ILG Bonds are redeemed in full by the Issuer on 1 June 2039 at their indexed value together with all accrued interest.

25. BORROWINGS (CONTINUED)

(b) Bonds (continued)

(ix) 4% Guaranteed Unsecured Bonds

On 24 January 2012, Wessex Water Services Finance Plc. ('Issuer'), a subsidiary of the Group, issued GBP200,000,000 nominal value 4.00% Guaranteed Unsecured Bonds due 2021 ('4% GU Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'), a subsidiary of the Group. The 4% GU Bonds are constituted under a Trust Deed dated 24 January 2012. The nominal value of 4% GU Bonds issued amounted to GBP200,000,000, of which GBP198,335,776 (2014: GBP198,069,500) remained outstanding as at 30 June 2015, net of amortised fees and discount. The net proceeds of the 4% GU Bonds were used for refinancing of existing financial indebtedness and for general corporate purposes.

On 30 August 2012, Wessex Water Services Finance Plc. ('Issuer'), a subsidiary of the Group, issued GBP100,000,000 nominal value 4.00% Guaranteed Unsecured Bonds due 2021 ('4% GU Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'), a subsidiary of the Group. The 4% GU Bonds are constituted under a Trust Deed dated 30 August 2012. The nominal value of 4% GU Bonds issued amounted to GBP100,000,000 of which GBP105,765,148 (2014: GBP106,700,037) remained outstanding as at 30 June 2015, net of amortised fees and discount. The net proceeds of the 4% GU Bonds were used for refinancing of existing financial indebtedness and for general corporate purposes.

The Bonds bear interest at 4.00% per annum, payable annually on 24 September of each year. The bonds will be redeemed in full by the Issuer on 24 September 2021 at their nominal value together with all accrued interest.

The 4% GU Bonds GBP100,000,000 due 24 September 2021 were consolidated to form a single series with the 4% GU Bonds GBP200,000,000 which was issued on 24 January 2012.

(c) Committed bank loans

Committed bank loans amounted to RM5,065,050 (EUR1,200,000) (2014: RM16,191,980 (EUR3,700,000)) are direct obligation of Wessex Water Limited and bear interest rates ranging from 0.84% to 1.25% (2014: 1.02% to 1.25%) per annum.

(d) Finance lease

The Group's finance lease of RM134,310,672 (2014: RM285,147,010) is repayable in instalments until 30 June 2019. The finance lease bears interest rates ranging from 1.40% to 3.85% (2014: 0.91% to 3.62%) per annum.

	Group	
	2015	**2014**
	RM'000	**RM'000**
Minimum finance lease payments:		
– Not later than 1 year	**52,027**	77,799
– Later than 1 year but not later than 5 years	**93,155**	239,447
Future finance charges on finance lease	**(10,871)**	(32,099)
Present value of finance lease	**134,311**	285,147

25. BORROWINGS (CONTINUED)

(e) Revolving credit

(i) Revolving credit denominated in Ringgit Malaysia

RM900,000,000 Revolving Credit

Revolving credit facilities of RM900,000,000 was obtained by YTL Communications Sdn. Bhd., a subsidiary of the Group which is guaranteed by the Company. The borrowings bear interest rates ranging from 3.74% to 4.22% (2014: 3.74% to 3.94%) per annum and are renewable on monthly basis.

(ii) Revolving credit denominated in SGD Dollar

SGD700,000,000 Revolving Credit

Revolving credit facilities of RM1,955,471,075 (SGD695,996,254) (2014: RM1,784,421,126 (SGD694,246,246)) is unsecured loan of YTL PowerSeraya Pte. Limited. The borrowing bears interest rates ranging from 1.24% to 2.01% (2014: 1.24% to 1.29%) per annum and is repayable in full on 14 September 2017.

(f) Term loans

(i) Term loans denominated in Great Britain Pounds

GBP175,000,000 Unsecured Term Loan

The term loans of RM446,452,500 (GBP75,000,000) (2014: RM956,760,000 (GBP175,000,000)) are unsecured loans of Wessex Water Services Limited and are guaranteed by Wessex Water Limited. The loans bear interest rates ranging from 0.80% to 0.81% (2014: 0.76% to 0.81%) per annum on the GBP100,000,000 loans and 1.09% to 1.19% (2014: 1.06% to 1.13%) per annum on the GBP75,000,000. The loans of GBP100.0 million and GBP75.0 million are repayable on 15 December 2015 and 22 July 2021 respectively. However, the loan of GBP100,000,000 was repaid early on 16 March 2015.

GBP140,000,000 Unsecured Term Loan

The term loans of RM833,378,000 (GBP140,000,000) (2014: RM765,408,000 (GBP140,000,000)) are unsecured loans of Wessex Water Services Limited and are guaranteed by Wessex Water Limited. The loans bear interest rates ranging from 0.84% to 0.85% (2014: 0.78% to 0.80%) per annum and are repayable in full on 15 December 2018.

GBP150,000,000 Unsecured Term Loan

The term loans of RM892,905,000 (GBP150,000,000) are unsecured loans of Wessex Water Services Limited and are guaranteed by Wessex Water Limited. The first loan of GBP50,000,000 was withdrawn on 30 January 2015 bears an interest rate of 2.16% per annum, the second loan of GBP50,000,000 was withdrawn on 9 March 2015 bears an interest rate of LIBOR plus 0.45% and the third loan of GBP50,000,000 was withdrawn on 9 April 2015 bears an interest rate of 1.99%. All the loans are repayable in full between 30 January and 9 April 2024.

25. BORROWINGS (CONTINUED)

(f) Term loans (continued)

(ii) Term loans denominated in US Dollar

USD400,000,000 Unsecured Term Loan

Term loans of RM756,153,625 (USD199,750,000) (2014: RM1,279,929,194 (USD398,669,738)) were drawn by the subsidiaries. The term loans are unsecured and are guaranteed by the Company. A loan of USD200.0 million was repaid on 29 May 2015 and the remaining loan of USD200.0 million is repayable on 17 December 2015. These loans bear interest rates ranging from 1.30% to 1.84% (2014: 1.30% to 1.84%) per annum.

USD200,000,000 Unsecured Term Loan

Term loan of RM757,100,000 (USD200,000,000) was drawn by the Company on 28 May 2015 and repayable on 28 May 2020. The loan bears an interest rate of 1.39% per annum up to 31 May 2016 and LIBOR plus 1.35% subsequently for every half year.

(iii) Term loans denominated in Ringgit Malaysia

Term loan of RM6,644,270 is secured loan of Konsortium Jaringan Selangor Sdn. Bhd., bears an annual interest rate of 1.75% above the Bank's Base Financing Rate (BFR) on the utilised amount.

(iv) Term loans denominated in SGD Dollar

SGD380,000,000 Unsecured Term Loan

Term loan of SGD380,000,000 is unsecured loan of YTL PowerSeraya Pte. Limited. The term loan was fully paid on 30 June 2015.

SGD760,000,000 Unsecured Term Loan

Term loan of RM2,123,082,874 (SGD755,653,073) (2014: RM1,937,371,503 (SGD753,753,065)) is unsecured loan of YTL PowerSeraya Pte. Limited. The borrowing bears interest rates ranging from 1.24% to 2.01% (2014: 1.24% to 1.29%) per annum and is repayable in full on 14 September 2017.

SGD760,000,000 Unsecured Term Loan

Term loan of RM2,111,848,067 (SGD751,654,352) (2014: RM1,926,981,998 (SGD749,710,928)) is unsecured loan of YTL PowerSeraya Pte. Limited. The borrowing bears interest rates ranging from 1.34% to 2.11% (2014: 1.34% to 1.39%) per annum and is repayable in full on 14 September 2019.

SGD62,200,000 Unsecured Term Loan

Term loans of RM174,757,120 (SGD62,200,000) (2014: RM49,349,760 (SGD19,200,000)) are unsecured loans of YTL PowerSeraya Pte. Limited. The borrowings bear interest rates ranging from 1.19% to 1.96% (2014: 1.19% to 1.20%) per annum and SGD9,330,000 (2014: SGD2,880,000) is repayable on 31 August 2015, SGD26,435,000 (2014: SGD8,160,000) is repayable on 31 August 2017 and SGD26,435,000 (2014: SGD8,160,000) is repayable on 31 August 2019.

25. BORROWINGS (CONTINUED)

(g) Trade facilities and others

(i) Trade loans denominated in US Dollar

YTL Communications Sdn. Bhd., a subsidiary of the Group has entered into trade loan facilities amounting to RM56,344,991 (USD14,884,425) (2014: RM46,579,507 (USD14,508,490)). The trade loans bear interest rates ranging from 1.00% to 1.10% (2014: 0.56% to 0.88%) per annum and the repayment ranges from 8 July 2015 to 22 December 2015 (2014: 14 July 2014 to 14 November 2014).

(ii) Trade loans denominated in Ringgit Malaysia

Trade loans of RM28,076,774 (2014: RM26,114,183) was obtained by YTL Communications Sdn. Bhd., a subsidiary of the Group and the trade loans bear interest rates ranging from 3.94% to 4.15% (2014: 3.5% to 3.64%) per annum. The trade loans repayment ranges from 8 July 2015 to 23 September 2015 (2014: 19 September 2014 to 22 December 2014).

26. POST-EMPLOYMENT BENEFIT OBLIGATIONS

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Defined contribution plan – Current				
Malaysia	**2,023**	1,801	**275**	250
Defined benefit plan – Non-current				
Overseas				
– United Kingdom	**734,028**	546,654	**–**	–
– Indonesia	**9,337**	7,126	**–**	–
	743,365	553,780	**–**	–

(a) Defined contribution plan

Group companies incorporated in Malaysia contribute to the national defined contribution plan. Once the contributions have been paid, the Group has no further payment obligations.

26. POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(b) Defined benefit plan – United Kingdom

A subsidiary of the Group operates final salary defined benefit plans for its employees in the United Kingdom, the assets of which are held in separate trustee-administered funds. The latest actuarial valuation of the plan was undertaken at 30 September 2013. This valuation was updated as at 30 June 2015 using revised assumptions.

The movements during the financial year in the amounts recognised in the Statement of Financial Position are as follows:

	2015 RM'000	2014 RM'000
At 1 July	**546,654**	558,734
Exchange differences	**60,502**	68,043
Pension cost	**88,792**	87,525
Contributions and benefits paid	**(99,008)**	(98,261)
Remeasurement loss/(gain)	**137,088**	(69,387)
At 30 June	**734,028**	546,654

The amounts recognised in the Statement of Financial Position are analysed as follows:

	2015 RM'000	2014 RM'000
Present value of funded obligations	**3,806,216**	3,105,038
Fair value of plan assets	**(3,072,188)**	(2,558,384)
Liability in the Statement of Financial Position	**734,028**	546,654

Changes in present value of defined benefit obligations are as follows:

	2015 RM'000	2014 RM'000
At 1 July	**3,105,038**	2,607,480
Exchange differences	**312,378**	334,821
Interest cost	**134,912**	129,769
Current service cost	**55,064**	56,275
Contributions by scheme participants	**1,088**	1,059
Past service cost	**6,528**	1,059
Net benefits paid	**(109,624)**	(93,752)
Remeasurement loss/(gain):		
– Actuarial loss arising from demographic assumptions	**–**	2,118
– Actuarial loss arising from financial assumptions	**338,368**	14,831
– Actuarial (gain)/loss arising from experience adjustments	**(37,536)**	51,378
Present value of defined benefit obligations, at 30 June	**3,806,216**	3,105,038

26. POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(b) Defined benefit plan – United Kingdom (continued)

Changes in fair value of plan assets are as follows:

	2015 RM'000	2014 RM'000
At 1 July	**2,558,384**	2,048,746
Exchange differences	**251,876**	266,778
Interest income	**111,520**	102,226
Contributions by employer	**99,008**	98,261
Contributions by scheme participants	**1,088**	1,059
Net benefits paid	**(109,624)**	(93,752)
Administration expenses	**(3,808)**	(2,648)
Remeasurement gain:		
– Return on plan assets excluding interest income	**163,744**	137,714
Fair value of plan assets, at 30 June	**3,072,188**	2,558,384

The pension cost recognised is analysed as follows:

	2015 RM'000	2014 RM'000
Interest cost	**23,392**	27,543
Current service cost	**55,064**	56,275
Past service cost	**6,528**	1,059
Administration expenses	**3,808**	2,648
Total charge to Income Statement	**88,792**	87,525

The charge to Income Statement was included in the following line items:

	2015 RM'000	2014 RM'000
Cost of sales	**49,050**	44,987
Administrative expenses	**16,350**	14,995
Interest cost	**23,392**	27,543
Total charge to Income Statement	**88,792**	87,525

26. POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(b) Defined benefit plan – United Kingdom (continued)

The principal actuarial assumptions used in respect of the Group's defined benefit plan were as follows:

	2015 %	2014 %
Discount rate	**3.80**	4.40
Expected rate of increase in pension payment	**2.20 – 3.10**	2.10 – 3.10
Expected rate of salary increases	**0.75 – 3.70**	2.30 – 3.80
Price inflation	**3.20**	3.30

The plan assets are comprised as follows:

	2015		2014	
	RM'000	%	RM'000	%
Equity instrument	**1,554,845**	**50.6**	1,320,876	51.6
Debt instrument	**1,355,429**	**44.1**	1,112,028	43.5
Property	**160,723**	**5.2**	119,731	4.7
Others	**1,191**	**0.1**	5,749	0.2
	3,072,188	**100.0**	2,558,384	100.0

	2015 RM'000	2014 RM'000
Actual return on plan assets	**275,264**	239,940

(c) Defined benefit plan – Indonesia

Summary of obligations relating to employee benefits due under prevailing law and regulations as well as under the Indonesia subsidiary's regulations are as presented below:

	2015 RM'000	2014 RM'000
Obligation relating to post-employment benefits	**7,351**	5,598
Obligation relating to other long-term employee benefits	**1,986**	1,528
	9,337	7,126

26. POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(c) Defined benefit plan – Indonesia (continued)

The Group has a defined contribution pension fund program for its permanent national employees in Indonesia. The Group's contribution is 6% of employee basic salary, while the employees' contribution ranges from 3% to 14%.

The obligation for post-employment and other long-term employee benefits were recognised with reference to actuarial report prepared by an independent actuary. The latest actuarial report was dated 30 June 2015.

(i) Post-employment benefits obligation

The movements during the financial year in the amounts recognised in the Statement of Financial Position are as follows:

	2015 RM'000	**2014 RM'000**
At 1 July	**5,598**	6,025
Exchange differences	**354**	(1,041)
Pension cost	**924**	866
Contributions and benefits paid	**(148)**	(286)
Remeasurement loss	**623**	34
At 30 June	**7,351**	5,598

The obligations relating to post-employment benefits recognised in the Statement of Financial Position are as follows:

	2015 RM'000	**2014 RM'000**
Present value of obligations	**7,351**	5,598

26. POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(c) Defined benefit plan – Indonesia (continued)

(i) Post-employment benefits obligation (continued)

Changes in present value of defined benefit obligations are as follows:

	2015 RM'000	2014 RM'000
At 1 July	**5,598**	6,025
Exchange differences	**354**	(1,041)
Interest cost	**482**	406
Current service cost	**463**	460
Past services cost	**(21)**	–
Net benefits paid	**(148)**	(286)
Remeasurement loss:		
– Actuarial loss arising from experience adjustments	**623**	34
Present value of defined benefit obligations, at 30 June	**7,351**	5,598

The pension cost recognised can be analysed as follows:

	2015 RM'000	2014 RM'000
Interest cost	**482**	406
Current service cost	**463**	460
Past service cost	**(21)**	–
Total charge to Income Statement	**924**	866

26. POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(c) Defined benefit plan – Indonesia (continued)

(ii) Other long-term employee benefits obligation

The obligations relating to other long-term employee benefits (i.e. long leave service benefits) recognised in the Statement of Financial Position are as follows:

	2015 RM'000	2014 RM'000
Present value of obligations	**1,986**	1,528

The movements during the financial year in the amounts recognised in the Statement of Financial Position are as follows:

	2015 RM'000	2014 RM'000
At 1 July	**1,528**	1,552
Exchange differences	**97**	(257)
Pension cost	**456**	349
Contributions and benefits paid	**(95)**	(116)
At 30 June	**1,986**	1,528

Changes in present value of defined benefit obligations are as follows:

	2015 RM'000	2014 RM'000
At 1 July	**1,528**	1,552
Exchange differences	**97**	(257)
Current service cost	**456**	349
Net benefits paid	**(95)**	(116)
At 30 June	**1,986**	1,528

26. POST-EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(c) Defined benefit plan – Indonesia (continued)

(ii) Other long-term employee benefits obligation (continued)

The amounts relating to other long-term employee benefits obligation recognised in the Income Statement are as follows:

	2015 RM'000	2014 RM'000
Current service cost	**456**	349

The charge above was included in the cost of sales.

The principal actuarial assumptions used in respect of the Group's defined benefit plan were as follows:

	2015 %	2014 %
Discount rate	**8.0**	8.5
Future salary increases	**8.0**	8.0

27. GRANTS AND CONTRIBUTIONS

	Group	
	2015 RM'000	2014 RM'000
At 1 July	**347,207**	295,774
Exchange differences	**34,420**	27,424
Received during the financial year	**41,900**	33,766
Amortisation	**(10,042)**	(9,757)
At 30 June	**413,485**	347,207

This balance represents government grant in foreign subsidiaries in respect of specific qualifying expenditure on infrastructure assets, non-infrastructure assets and a cogeneration plant.

28. PAYABLES (NON-CURRENT)

	Group	
	2015 RM'000	2014 RM'000
Deposits	**37,275**	30,815
Deferred income	**635,637**	449,230
	672,912	480,045

Non-current payables comprise of deposits collected from retail customers in relation to the provision of electricity and deposits received from developers of housing development in relation to the provision of water and sewerage infrastructure. The deferred income is in relation to assets transferred from customers and services which are yet to be provided.

29. PAYABLES AND ACCRUED EXPENSES (CURRENT)

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Trade payables	**657,097**	748,484	**–**	–
Duties and taxes payable	**22,083**	18,767	**115**	–
Accrued expenses	**745,154**	807,808	**1,230**	1,150
Receipts in advance	**264,494**	231,474	**–**	–
Other payables	**259,560**	196,146	**58,826**	49,195
Deposits	**76,247**	55,267	**–**	–
Deferred income	**48,267**	49,185	**–**	–
	2,072,902	2,107,131	**60,171**	50,345

Credit terms of trade payables granted to the Group range from 30 to 60 days (2014: 30 to 60 days).

30. PROVISION FOR LIABILITIES AND CHARGES

	Group	
	2015	**2014**
	RM'000	**RM'000**
At 1 July	**27,264**	869
Exchange differences	**865**	151
Acquisition of subsidiary	**5,448**	–
Charge during the financial year	**12,050**	27,542
Payment	**(5,010)**	(1,298)
At 30 June	**40,617**	27,264

The provision for liabilities and charges relate to scaling down of operations, environmental liabilities and asset retirement obligation.

31. AMOUNTS OWING BY/(TO) FELLOW SUBSIDIARIES

The amounts owing by/(to) fellow subsidiaries are unsecured, interest-free and repayable on demand. The amounts owing by/(to) fellow subsidiaries principally relate to operation and maintenance expenses of power plant of a subsidiary and expenses paid on behalf by/of the Company.

32. FINANCIAL RISK MANAGEMENT

The Group's and the Company's activities expose it to a variety of financial risks, including market risk (comprising of foreign currency exchange risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk. The Group's and the Company's overall financial risk management objective is to ensure that adequate resources are available to create value for its shareholders. The Group and the Company focus on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and the Company. Financial risk management is carried out through regular risk review analysis, internal control systems and adherence to Group and the Company financial risk management policies. The Board regularly reviews these risks and approves the appropriate control environment frameworks.

(a) Market risk

(i) Foreign currency exchange risk

Foreign currency exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to risks arising from various currency exposures primarily with respect to the Great Britain Pounds and Singapore Dollars. The Group has investments in foreign operations whose net assets are exposed to foreign currency translation risk. Such exposures are mitigated through borrowings denominated in the respective functional currencies.

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Foreign currency exchange risk (continued)

Where necessary, the Group enters into forward foreign currency exchange contracts to limit its exposure on foreign currency receivables and payables and on cash flows generated from anticipated transactions denominated in foreign currencies.

The following table illustrates the effects on the Group's net assets resulting from currency fluctuations (on the basis all other variables remain constant).

	Increase/(Decrease) in Net assets	
	2015	**2014**
Group	**RM'000**	**RM'000**
5% changes on GBP exchange rate	**192,464**	169,555
5% changes on SGD exchange rate	**351,626**	324,327

There is no significant exposure to foreign currency exchange risk at the Company level.

(ii) Interest rate risk

Interest rate exposure arises from the Group's and the Company's borrowings, deposits, short-term investments, and the interest-bearing advances to subsidiaries of the Company. It is managed through the use of fixed and floating rate debts. Besides, the Group uses the derivative financial instruments, where appropriate, to generate the desired interest rate profile.

Borrowings issued at variable rates expose the Group to cash flows interest rate risk. However, it is partially offset by the interest income accruing on fixed deposits.

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the reporting date, were:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Fixed rate instruments				
Financial liabilities	**14,188,622**	12,634,734	**4,752,660**	3,747,156
Variable rate instruments				
Financial assets	**9,358,025**	8,342,360	**2,257,316**	622,950
Financial liabilities	**11,139,148**	10,885,545	**757,100**	–

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

At the reporting date, if annual interest rates had been 50 basis points higher/lower respectively, with all other variables in particular foreign exchange rates and tax rates being held constant, the Group's and Company's profit after tax will be lower/higher by RM55.7 million (2014: RM54.4 million) and RM3.8 million (2014: nil), respectively as a result of increase/decrease in interest expense on these variable rate borrowings.

The excess funds of the Group and the Company are invested in bank deposits and other short-term instruments. The Group and the Company manage their liquidity risks by placing such excess funds on short-term maturities to match its cash flow needs. If interest deposit rates increased/decreased by 10 basis points, interest income for the Group and the Company for the financial year would increase/decrease by RM9.4 million (2014: RM8.3 million) and RM2.3 million (2014: RM0.1 million), respectively.

(iii) Price risk

Investments

The Group and the Company are exposed to equity securities price risk arising from investments held which classified on the Statement of Financial Position as available-for-sale financial assets. To manage its price risk arising from investments in equity securities, the Group and the Company diversify their portfolio.

The Group's and the Company's investments are measured at fair value. The impact of an increase/decrease on the fair value to the Group's and Company's net assets is approximately RM3.4 million (2014: RM4.7 million) and RM3.4 million (2014: RM4.7 million), respectively. This analysis is based on a 10% increase or decrease in the fair value of these investments as at the reporting date, with all other variables remaining constant.

Fuel commodity price risk

The Group hedges its fuel commodity price risk by the use of derivative instruments against fluctuations in fuel oil prices which affect the cost of fuel.

Exposure to price fluctuations arising from the purchase of fuel is managed via fuel oil swaps where the price of fuel is indexed to a benchmark fuel price index, for example 180 CST fuel oil. As at 30 June 2015, if the forward fuel oil price curve increased/decreased by 10% (2014: 5%), the profit before taxation would be lower/higher by RM0.7 million (2014: RM1.8 million) for the Group.

(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of a counter party to settle their obligations to the Group and the Company.

The Group's exposures to credit risk arise primarily from trade and other receivable. For other financial assets (including short-term investment securities, fixed deposits and derivative financial instruments), the Group minimises credit risk by dealing with creditworthy counterparties.

The Company's exposures to credit risk arise is only from other receivable. For other financial assets (including short-term investment securities and fixed deposits), the Company minimises credit risk by dealing with creditworthy counterparties.

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

In the Group's power generation business in Malaysia, trade receivables are solely from its off taker, a national electricity utility company and the counterparty risk is considered to be minimal. As for the Group's power generation business in Singapore, credit reviews are performed on all customers with established credit limits and supported by collateral in the form of guarantees. For the Group's water and sewerage business, the credit risk of receivables is mitigated through strict collection procedures. In addition, the Directors are of the view that credit risk arising from these businesses is limited due to the large customer base.

Transactions involving derivative financial instruments are allowed only with counterparties that are of high credit quality. As such, management does not expect any counterparties to fail to meet their obligations. The Group considers the risk of material loss in the event of non-performance by a financial counter party to be unlikely.

At the reporting date, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the Statement of Financial Position.

Intercompany balances

The Company provides unsecured advances to subsidiaries and where necessary makes payments for expenses on behalf of its subsidiaries. The Company monitors the results of the subsidiaries regularly. As at 30 June 2015, the maximum exposure to credit risk is represented by their carrying amounts in the Statement of Financial Position.

Management has taken reasonable steps to ensure that intercompany receivables are stated at the realisable values. As at 30 June 2015, there was no indication that the advances extended to the subsidiaries are not recoverable.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient bank deposits and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group and the Company aim at maintaining flexibility by keeping committed credit lines available.

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the reporting date based on undiscounted contractual payments:

	Less than 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000	Total RM'000
Group				
2015				
Non-derivative financial liabilities				
Bonds and borrowings	**2,644,132**	**12,866,426**	**22,197,379**	**37,707,937**
Trade and other payables including group entities	**1,542,453**	**37,275**	**–**	**1,579,728**
Derivative financial liabilities				
Gross – Fuel oil swaps	**300,959**	**130,212**	**–**	**431,171**
Gross – Currency forwards	**3,304**	**3,084**	**–**	**6,388**
	4,490,848	**13,036,997**	**22,197,379**	**39,725,224**
2014				
Non-derivative financial liabilities				
Bonds and borrowings	2,783,810	11,433,968	24,237,319	38,455,097
Trade and other payables including group entities	1,728,729	30,815	–	1,759,544
Derivative financial liabilities				
Net – Interest rate swaps	3,625	–	–	3,625
Gross – Fuel oil swaps	6,784	524	–	7,308
Gross – Currency forwards	9,918	8,422	–	18,340
	4,532,866	11,473,729	24,237,319	40,243,914
Company				
2015				
Non-derivative financial liabilities				
Bonds and borrowings	**226,023**	**3,849,636**	**2,842,295**	**6,917,954**
Trade and other payables including intercompanies	**340,021**	**–**	**–**	**340,021**
Financial guarantee contracts	**1,657,100**	**–**	**–**	**1,657,100**
	2,223,144	**3,849,636**	**2,842,295**	**8,915,075**
2014				
Non-derivative financial liabilities				
Bonds and borrowings	166,603	2,889,334	1,784,621	4,840,558
Trade and other payables including intercompanies	18,087	–	–	18,087
Financial guarantee contracts	1,542,100	642,100	–	2,184,200
	1,726,790	3,531,434	1,784,621	7,042,845

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk

The Group and the Company's objectives when managing capital are to safeguard the Group and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

There are external debt covenants such as gearing ratio applicable to the Group and the Company which are not onerous and the obligation can be fulfilled. As part of its capital management, the Group monitors that these covenants have been complied with. In addition, consistent with others in the industry, the Group and the Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the Statement of Financial Position) less cash and bank balances. Total capital is calculated as 'equity' as shown in the Statement of Financial Position plus net debt.

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Total bonds and borrowings (Note 25)	**25,327,770**	23,520,279	**5,509,760**	3,747,156
Less: Cash and bank balances	**(9,608,348)**	(8,958,235)	**(609,640)**	(247,491)
Net debt	**15,719,422**	14,562,044	**4,900,120**	3,499,665
Total equity	**11,628,695**	10,683,725	**12,692,294**	8,883,525
Total capital	**27,348,117**	25,245,769	**17,592,414**	12,383,190
Gearing ratio	**57%**	58%	**28%**	28%

To strengthen the capital structure of the Company, all borrowings of subsidiaries are on a non-recourse basis to the Company save and except for those borrowings guaranteed by the Company as set out in Note 25 to the financial statements.

(e) Fair value measurement

The Group and the Company measure fair value using the following fair value hierarchy that reflects the significance of the input used in making the measurements:

(a) Level 1 – quoted price (unadjusted) in active market for identical assets or liabilities;

(b) Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices); and

(c) Level 3 – inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

The financial assets included in the Level 3 of the fair value hierarchy for which its valuation is based on actual performance of the investee entity. The Group and the Company had used valuation model in projecting expected share price of the investment by using share price of companies in similar industry and adjusted for marketability factor.

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurement (continued)

Although the Group and the Company believe that estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurement in Level 3, if the discount rate used in the marketability factor is to differ by 10% from management's estimates, the carrying amount of available for sale financial assets would be approximately RM22.0 million (2014: RM19.0 million) lower or higher.

The following table presents the Group's assets and liabilities that are measured at fair value as at the reporting date:

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2015				
Assets				
Financial assets at fair value through profit or loss:				
– Trading derivatives	–	**6,294**	–	**6,294**
Available-for-sale	**51,171**	**5,235**	**220,012**	**276,418**
Derivatives used for hedging	–	**119,887**	–	**119,887**
Total assets	**51,171**	**131,416**	**220,012**	**402,599**
Liabilities				
Financial liabilities at fair value through profit or loss:				
– Trading derivatives	–	**17,818**	–	**17,818**
Derivatives used for hedging	–	**419,741**	–	**419,741**
Total liabilities	–	**437,559**	–	**437,559**
2014				
Assets				
Financial assets at fair value through profit or loss:				
– Trading derivatives	–	8,899	–	8,899
– Inventories held for trading	–	17,714	–	17,714
Available-for-sale	47,283	4,809	190,425	242,517
Derivatives used for hedging	–	39,006	–	39,006
Total assets	47,283	70,428	190,425	308,136
Liabilities				
Financial liabilities at fair value through profit or loss:				
– Trading derivatives	–	3,011	–	3,011
Derivatives used for hedging	–	26,262	–	26,262
Total liabilities	–	29,273	–	29,273

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurement (continued)

The following table presents the Company's assets that are measured at fair value as at the reporting date:

Company	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2015				
Assets				
Available-for-sale	**51,146**	**–**	**220,012**	**271,158**
2014				
Assets				
Available-for-sale	47,261	–	190,425	237,686

33. FINANCIAL INSTRUMENTS BY CATEGORY

The table below provides an analysis of the Group's financial instruments categorised as follows:

Group	Loans and receivables RM'000	Assets at fair value through profit or loss RM'000	Derivatives used for hedging RM'000	Available-for-sale RM'000	Total RM'000
2015					
Assets as per Statement of Financial Position					
Available-for-sale financial assets	**–**	**–**	**–**	**276,418**	**276,418**
Derivative financial instruments	**–**	**6,294**	**119,887**	**–**	**126,181**
Trade and other receivables including group entities[1]	**2,426,045**	**–**	**–**	**–**	**2,426,045**
Cash and bank balances	**9,608,348**	**–**	**–**	**–**	**9,608,348**
	12,034,393	**6,294**	**119,887**	**276,418**	**12,436,992**
2014					
Assets as per Statement of Financial Position					
Available-for-sale financial assets	–	–	–	242,517	242,517
Derivative financial instruments	–	8,899	39,006	–	47,905
Trade and other receivables including group entities[1]	2,298,162	–	–	–	2,298,162
Cash and bank balances	8,958,235	–	–	–	8,958,235
	11,256,397	8,899	39,006	242,517	11,546,819

33. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The table below provides an analysis of the Group's financial instruments categorised as follows: (continued)

Group	Liabilities at fair value through profit or loss RM'000	Derivatives used for hedging RM'000	Other financial liabilities at amortised cost RM'000	Total RM'000
2015				
Liabilities as per Statement of Financial Position				
Bonds and borrowings excluding finance lease liabilities	**–**	**–**	**25,193,459**	**25,193,459**
Derivative financial instruments	**17,818**	**419,741**	**–**	**437,559**
Trade and other payables including group entities[2]	**–**	**–**	**1,830,127**	**1,830,127**
	17,818	**419,741**	**27,023,586**	**27,461,145**
2014				
Liabilities as per Statement of Financial Position				
Bonds and borrowings excluding finance lease liabilities	–	–	23,235,132	23,235,132
Derivative financial instruments	3,011	26,262	–	29,273
Trade and other payables including group entities[2]	–	–	1,986,800	1,986,800
	3,011	26,262	25,221,932	25,251,205

The table below provides an analysis of the Company's financial instruments categorised as follows:

Company	Loans and receivables RM'000	Available-for-sale RM'000	Total RM'000
2015			
Assets as per Statement of Financial Position			
Available-for-sale financial assets	**–**	**271,158**	**271,158**
Trade and other receivables including intercompanies[1]	**1,792,298**	**–**	**1,792,298**
Cash and bank balances	**609,640**	**–**	**609,640**
	2,401,938	**271,158**	**2,673,096**
2014			
Assets as per Statement of Financial Position			
Available-for-sale financial assets	–	237,686	237,686
Trade and other receivables including intercompanies[1]	437,784	–	437,784
Cash and bank balances	247,491	–	247,491
	685,275	237,686	922,961

33. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The table below provides an analysis of the Company's financial instruments categorised as follows: (continued)

Company	Liabilities at fair value through profit or loss RM'000	Other financial liabilities at amortised cost RM'000	Total RM'000
2015			
Liabilities as per Statement of Financial Position			
Bonds and borrowings	–	**5,509,760**	**5,509,760**
Trade and other payables including intercompanies[2]	–	**397,413**	**397,413**
	–	**5,907,173**	**5,907,173**
2014			
Liabilities as per Statement of Financial Position			
Bonds and borrowings	–	3,747,156	3,747,156
Trade and other payables including intercompanies[2]	–	64,083	64,083
	–	3,811,239	3,811,239

[1] *Prepayments and tax recoverable are excluded from the trade and other receivables balance, as this analysis is required only for financial instruments.*

[2] *Statutory liabilities, deferred income and receipts in advance are excluded from the trade and other payables balance, as this analysis is required only for financial instruments.*

34. COMMITMENTS

(a) Capital commitments

	Group 2015 RM'000	Group 2014 RM'000
Contracted, but not provided for	**1,998,033**	1,729,784
Authorised, but not contracted for	**384,544**	388,948

The above commitments mainly comprise purchase of property, plant and equipment.

34. COMMITMENTS (CONTINUED)

(b) Operating lease arrangements

(i) The Group as lessee

The future minimum lease payments under non-cancellable operating leases contracted for as at the reporting date but not recognised as liabilities are analysed as follows:

	Group	
	2015 RM'000	**2014 RM'000**
Lease rental on sublease of office space:		
– Not later than 1 year	**91,120**	94,240
– Later than 1 year but not later than 5 years	**236,007**	248,100
– Later than 5 years	**106,864**	119,832

(ii) The Group as lessor

The future minimum lease payments receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables are analysed as follows:

	Group	
	2015 RM'000	**2014 RM'000**
Lease rental income:		
– Not later than 1 year	**53,409**	11,552

In addition, the payments receivables under the PPA which are classified as operating lease are as follows:

	Group	
	2015 RM'000	**2014 RM'000**
Not later than 1 year	**67,175**	445,283
Later than 1 year but not later than 5 years	–	117,007

The future minimum lease receivables are an estimate as they include minimum lease payments and other elements.

35. SEGMENTAL INFORMATION

The Group has five reportable segments as described below:

(i) Power generation (Contracted)
(ii) Multi utilities business (Merchant)
(iii) Water and sewerage
(iv) Mobile broadband network
(v) Investment holding activities

Management monitors the operating results of operating segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

	Power generation (Contracted) RM'000	Multi utilities business (Merchant)#1 RM'000	Water and sewerage RM'000	Mobile broadband network RM'000	Investment holding activities RM'000	Group RM'000
At 30 June 2015						
Revenue						
Total revenue	1,071,396	6,880,924	3,043,780	694,420	266,044	11,956,564
Inter segment elimination	–	–	–	(1,125)	(97,346)	(98,471)
External revenue	1,071,396	6,880,924	3,043,780	693,295	168,698	11,858,093
Results						
Share of profits of investments accounted for using the equity method	–	–	–	1,669	285,923	287,592
Interest income	19,598	3,650	2,301	572	5	26,126
Finance cost	433	126,575	422,235	39,881	232,315	821,439
Segment profit/(loss)	189,769	304,856	925,099	(239,426)	66,894	1,247,192
Other segment items						
Capital expenditures	95,991	331,730	1,131,770	167,532	312	1,727,335
Depreciation	441,930	275,917	534,494	126,590	433	1,379,364
Impairment	–	1,069	64,926	4,871	–	70,866
Segment assets						
Investments accounted for using the equity method	–	–	1	5,572	1,802,264	1,807,837
Other segment assets	1,076,132	11,363,401	17,750,436	2,442,323	9,197,681	41,829,973
	1,076,132	11,363,401	17,750,437	2,447,895	10,999,945	43,637,810
Segment liabilities						
Borrowings	–	6,365,159	11,669,146	1,027,552	6,265,913	25,327,770
Other segment liabilities	145,090	1,802,116	4,231,459	409,999	92,681	6,681,345
	145,090	8,167,275	15,900,605	1,437,551	6,358,594	32,009,115

35. SEGMENTAL INFORMATION (CONTINUED)

	Power generation (Contracted) RM'000	Multi utilities business (Merchant)#1 RM'000	Water and sewerage RM'000	Mobile broadband network RM'000	Investment holding activities RM'000	Group RM'000
At 30 June 2014						
Revenue						
Total revenue	1,184,019	9,408,620	2,896,356	824,465	229,347	14,542,807
Inter segment elimination	–	–	–	(637)	(105,564)	(106,201)
External revenue	1,184,019	9,408,620	2,896,356	823,828	123,783	14,436,606
Results						
Share of profits of investments accounted for using the equity method	–	–	–	2,165	247,708	249,873
Interest income	17,111	1,571	3,814	592	4	23,092
Finance cost	12,638	104,270	432,970	36,159	209,990	796,027
Segment profit/(loss)	185,265	494,307	823,710	(193,128)	(183,560)	1,126,594
Other segment items						
Capital expenditures	26,333	252,539	1,372,895	211,876	1,369	1,865,012
Depreciation	365,382	287,246	498,292	113,400	406	1,264,726
Impairment/(Write back)	46,785	(1,211)	60,012	80,841	23,937	210,364
Segment assets						
Investments accounted for using the equity method	–	–	1	3,903	1,595,965	1,599,869
Other segment assets	1,494,801	10,968,659	15,591,530	2,225,554	8,204,693	38,485,237
	1,494,801	10,968,659	15,591,531	2,229,457	9,800,658	40,085,106
Segment liabilities						
Borrowings	300,000	6,670,663	10,493,973	1,028,559	5,027,084	23,520,279
Other segment liabilities	372,139	1,460,023	3,556,784	407,528	84,628	5,881,102
	672,139	8,130,686	14,050,757	1,436,087	5,111,712	29,401,381

#1 This segment encompasses a large portion of the value chain involved in the generation of electricity. This includes the generation and sale of electricity to both wholesale and retail markets, as well as oil trading and oil tanking leasing.

35. SEGMENTAL INFORMATION (CONTINUED)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Malaysia	**1,772,421**	1,990,954	**2,453,912**	2,958,600
Singapore	**6,880,924**	9,408,620	**10,077,742**	9,170,995
United Kingdom	**3,070,916**	2,896,356	**16,266,736**	14,322,605
Other countries	**133,832**	140,676	**286,169**	350,422
	11,858,093	14,436,606	**29,084,559**	26,802,622

Non-current assets information presented above consist of the following items as presented in the Statement of Financial Position.

	Non-current assets	
	2015	**2014**
	RM'000	**RM'000**
Property, plant and equipment	**21,204,672**	19,323,668
Intangible assets	**7,580,688**	6,864,070
Receivables, deposits and prepayments	**299,199**	614,884
	29,084,559	26,802,622

Major customers

The following is the major customer with revenue equal or more than 10 per cent of Group's revenue:

	Revenue		
	2015	**2014**	
	RM'000	**RM'000**	**Segment**
– Energy Market Company	**3,409,331**	4,351,541	Multi utilities business (Merchant)

36. MATERIAL LITIGATIONS

i. A Notice of Arbitration has been issued on 31 March 2014 by a local subsidiary of the Group against a gas supplier for recovery of sums over-invoiced by the gas supplier under the Agreement for the Sale and Purchase of Dry Gas dated 15 March 1993.

   Subsequent to financial year end, an award was issued in favour of the subsidiary for recovery of the amount in dispute. On 29 July 2015, the gas supplier filed an Originating Summons to set aside or to vary the award under the relevant provisions of the Arbitration Act, 2005. On 21 August 2015, the subsidiary filed a Notice of Application to the High Court to strike out or dismiss the Originating Summons as the Board has been advised that the application to set aside or vary the award has no merit. The hearing dates have yet to be fixed.

ii. During the financial year, a foreign subsidiary of the Group has commenced proceedings in court against two customers to recover monies due to the subsidiary under contract, following their termination of the electricity retail contracts. The customers have filed their defence and counterclaim, and the matter is now awaiting trial.

   Based on the legal advice sought by the board, the subsidiary has strong prospects of succeeding in their claim and the customers are highly unlikely to succeed in their counter claim. Thus, no provision has been made for potential losses that may arise from the counterclaims.

37. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 9 October 2015.

38. SUPPLEMENTARY INFORMATION DISCLOSED PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT

The following analysis of realised and unrealised retained earnings/(accumulated losses) at the legal entity level is prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirement, as issued by the Malaysian Institute of Accountants whilst the disclosure at the Group and the Company are based on the prescribed format by the Bursa Malaysia Securities Berhad.

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Retained earnings/(Accumulated losses) of the Company and its subsidiaries:				
– Realised	**7,305,489**	7,418,910	**7,023,504**	3,548,894
– Unrealised	**(407,146)**	(513,558)	**14,952**	(68)
	6,898,343	6,905,352	**7,038,456**	3,548,826
Retained earnings/(Accumulated losses) from investments accounted for using the equity method:				
– Realised	**1,031,525**	1,001,424	–	–
– Unrealised	**(238,467)**	(211,684)	–	–
	793,058	789,740	–	–
Add: Consolidation adjustments	**307,550**	193,404	–	–
Total retained earnings	**7,998,951**	7,888,496	**7,038,456**	3,548,826

The disclosure of realised and unrealised profits/(losses) above is solely for compliance with the directive issued by the Bursa Malaysia Securities Berhad and should not be used for any other purpose.

Statement by Directors

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

We, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE and Dato' Yeoh Seok Hong, two of the Directors of YTL Power International Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 58 to 166 are drawn up so as to give a true and fair view of the state of affairs of the Group and the Company as at 30 June 2015 and of the results and the cash flows of the Group and the Company for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia.

The information set out in Note 38 to the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board of Directors in accordance with their resolution dated 9 October 2015.

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

Dato' Yeoh Seok Hong
Director

Statutory Declaration

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

I, Dato' Yeoh Seok Hong, the Director primarily responsible for the financial management of YTL Power International Berhad, do solemnly and sincerely declare that the financial statements set out on pages 58 to 167 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.

Dato' Yeoh Seok Hong
Director

Subscribed and solemnly declared by the above named Dato' Yeoh Seok Hong at Kuala Lumpur on 9 October 2015, before me.

Commissioner for Oaths

Independent Auditors' Report

to the members of YTL Power International Berhad
(Incorporated in Malaysia)
(Company No. 406684 H)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of YTL Power International Berhad on pages 58 to 166 which comprise the statements of financial position as at 30 June 2015 of the Group and of the Company, and the statements of income, comprehensive income, changes in equity and cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 37.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 30 June 2015 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Independent Auditors' Report

to the members of YTL Power International Berhad
(Incorporated in Malaysia)
(Company No. 406684 H)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 13 to the financial statements.

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

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 38 on page 167 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

AMRIT KAUR
(No. 2482/01/17 (J))
Chartered Accountant

Kuala Lumpur
9 October 2015

Form of Proxy

I/We *(full name as per NRIC/company name in block letters)* ____________________

____

NRIC/Company No. *(New)* ____________________ *(Old)* ____________________

CDS Account No. *(for nominee companies only)* ____________________

of *(full address)* ____________________

____

being a member of **YTL Power International Berhad** hereby appoint *(full name as per NRIC in block letters)* ____________________

____

NRIC No. *(New)* ____________________ *(Old)* ____________________

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 19th Annual General Meeting of the Company to be held at Mayang Sari Grand Ballroom, Lower Level 3, JW Marriott Hotel Kuala Lumpur, 183, Jalan Bukit Bintang, 55100 Kuala Lumpur on Tuesday, 24 November 2015 at 2.30 p.m. and at any adjournment thereof.

My/Our proxy is to vote as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1.	Re-election of Tan Sri Dato' (Dr) Francis Yeoh Sock Ping		
2.	Re-election of Dato' Yeoh Soo Min		
3.	Re-election of Dato' Yeoh Soo Keng		
4.	Re-appointment of Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay		
5.	Re-appointment of Tan Sri Datuk Dr Aris Bin Osman @ Othman		
6.	Approval of the payment of Directors' fees		
7.	Re-appointment of Messrs PricewaterhouseCoopers as Company Auditors		
8.	Approval for Tan Sri Datuk Dr Aris Bin Osman @ Othman to continue in office as Independent Non-Executive Director		
9.	Approval for Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng to continue in office as Independent Non-Executive Director		
10.	Authorisation for Directors to Allot and Issue Shares		
11.	Proposed Renewal of Share Buy-Back Authority		
12.	Proposed Renewal of Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

Number of shares held

Signed this ____________ day of ____________ 2015

Signature ____________________

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Notes:-

1. *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. Where a member of the Company is an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.*
2. *This original form of proxy and the Power of Attorney or other authority (if any) under which it is signed or notarily 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. Facsimile transmission of such documents will not be accepted.*
3. *In the case of a corporation, this form of 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.*
4. *Unless voting instructions are indicated in the spaces provided above, the proxy may vote as he thinks fit.*
5. *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 17 November 2015. Only a depositor whose name appears on the General Meeting Record of Depositors as at 17 November 2015 shall be entitled to attend the said meeting or appoint proxy to attend and/or vote in his stead.*

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AFFIX
STAMP

THE COMPANY SECRETARY
YTL POWER INTERNATIONAL BERHAD
11th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur

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Malaysia

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