YTL POWER INTERNATIONAL BERHAD
Company No. 406684-H
Incorporated in Malaysia

Interim Financial Report
31 March 2019

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YTL POWER INTERNATIONAL BERHAD (Company No. 406684-H)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the financial period ended 31 March 2019.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	9 MONTHS ENDED	
	31.3.2019	31.3.2018	31.3.2019	31.3.2018
	RM'000	RM'000 (Restated)	RM'000	RM'000 (Restated)
Revenue	2,887,574	2,589,388	8,618,358	7,798,608
Cost of sales	(2,406,578)	(2,020,183)	(7,128,119)	(6,209,379)
Gross profit	480,996	569,205	1,490,239	1,589,229
Other operating income	28,072	6,742	58,363	32,498
Other operating expenses	(165,970)	(192,250)	(522,694)	(452,994)
Profit from operations	343,098	383,697	1,025,908	1,168,733
Finance costs	(279,644)	(267,380)	(850,903)	(811,701)
Share of profits of investments accounted for using the equity method	103,854	102,400	312,064	301,344
Profit before taxation	167,308	218,717	487,069	658,376
Taxation	(28,048)	(52,530)	(96,041)	(172,894)
Profit for the period	139,260	166,187	391,028	485,482
Attributable to:				
Owners of the parent	111,275	145,356	309,324	413,992
Non-controlling interests	27,985	20,831	81,704	71,490
	139,260	166,187	391,028	485,482
Earnings per share for profit attributable to owners of the parent				
Basic (sen)	1.45	1.83	4.02	5.27
Diluted (sen)	1.45	1.83	4.02	5.27

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

YTL POWER INTERNATIONAL BERHAD (Company No. 406684-H)
(Incorporated in Malaysia)

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.3.2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.3.2018 RM'000 (Restated)	9 MONTHS ENDED 31.3.2019 RM'000	9 MONTHS ENDED 31.3.2018 RM'000 (Restated)
Profit for the period	139,260	166,187	391,028	485,482
Other comprehensive income/(loss):				
Items that will not be reclassified subsequently to income statement:				
Re-measurement of post-employment benefit obligations	-	188,584	-	188,584
Items that may be reclassified subsequently to income statement:				
Financial assets at fair value through other comprehensive income	(170)	(6,185)	(49,932)	(41,968)
Cash flow hedges:				
- Subsidiaries	428,603	(85,110)	(128,587)	97,192
- Associates and joint ventures	(7,628)	(35,486)	(17,592)	(31,225)
Currency translation differences:				
- Subsidiaries	(8,631)	(317,476)	118,292	(649,931)
- Associates and joint ventures	(30,194)	(133,646)	1,507	(247,676)
Other comprehensive income/(loss) for the period, net of tax	381,980	(389,319)	(76,312)	(685,024)
Total comprehensive income/(loss) for the period	521,240	(223,132)	314,716	(199,542)
Attributable to:				
Owners of the parent	503,136	(207,636)	226,415	(195,379)
Non-controlling interests	18,104	(15,496)	88,301	(4,163)
	521,240	(223,132)	314,716	(199,542)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

YTL POWER INTERNATIONAL BERHAD (Company No. 406684-H)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED As at 31.3.2019 RM'000	UNAUDITED As at 30.6.2018 RM'000 (Restated)
ASSETS		
Non-current assets		
Property, plant and equipment	21,619,524	21,227,246
Investment properties	484,841	452,112
Project development costs	221,783	196,891
Intangible assets	8,150,462	8,029,565
Investments accounted for using the equity method	2,284,137	2,137,331
Investments	227,279	1,063,418
Derivative financial instruments	17,093	44,049
Receivables, deposits and prepayments	863,911	953,008
	33,869,030	34,103,620
Current assets		
Inventories	422,444	430,004
Investments	1,560,620	1,883,669
Receivables, deposits and prepayments	2,328,321	2,303,641
Derivative financial instruments	141,451	197,681
Cash and bank balances	7,252,333	7,337,927
	11,705,169	12,152,922
TOTAL ASSETS	45,574,199	46,256,542
EQUITY AND LIABILITIES		
Share capital	7,038,587	7,038,587
Reserves	6,331,190	6,484,521
Treasury shares, at cost	(708,259)	(509,634)
Equity attributable to owners of the parent	12,661,518	13,013,474
Non-controlling interests	161,504	111,603
TOTAL EQUITY	12,823,022	13,125,077

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - Continued

	UNAUDITED As at 31.3.2019 RM'000	UNAUDITED As at 30.6.2018 RM'000 (Restated)
LIABILITIES		
Non-current liabilities		
Deferred taxation	1,805,695	1,788,657
Borrowings	25,839,184	23,780,022
Post-employment benefit obligations	647,584	685,509
Grants and contributions	583,361	548,493
Derivative financial instruments	22,713	21,077
Payables	846,186	811,875
	29,744,723	27,635,633
Current liabilities		
Payables and accrued expenses	2,089,375	2,070,247
Derivative financial instruments	40,762	19,229
Post-employment benefit obligations	1,472	1,637
Taxation	68,031	113,793
Borrowings	806,814	3,290,926
	3,006,454	5,495,832
TOTAL LIABILITIES	32,751,177	33,131,465
TOTAL EQUITY AND LIABILITIES	45,574,199	46,256,542
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.65	1.66

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	Attributable to Owners of the Parent						
	Share Capital	Merger & Other Reserves	Treasury Shares	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 30 June 2018, as previously reported	7,038,587	(1,435,015)	(509,634)	7,919,190	13,013,128	111,386	13,124,514
Adjustments from adoption of MFRS 15	-	-	-	346	346	217	563
Restated balance as at 1 July 2018	7,038,587	(1,435,015)	(509,634)	7,919,536	13,013,474	111,603	13,125,077
Profit for the financial period	-	-	-	309,324	309,324	81,704	391,028
Other comprehensive (loss)/income for the financial period	-	(82,909)	-	-	(82,909)	6,597	(76,312)
Total comprehensive (loss)/income for the financial period	-	(82,909)	-	309,324	226,415	88,301	314,716
Effects arising from changes in composition of the Group	-	-	-	(13)	(13)	46	33
Dividends paid to non-controlling interests	-	-	-	-	-	(38,446)	(38,446)
Interim dividend paid for the financial year ended 30 June 2018	-	-	-	(383,765)	(383,765)	-	(383,765)
Share option lapsed	-	(847)	-	847	-	-	-
Share repurchased	-	-	(198,625)	-	(198,625)	-	(198,625)
Share option expenses	-	4,032	-	-	4,032	-	4,032
At 31 March 2019	7,038,587	(1,514,739)	(708,259)	7,845,929	12,661,518	161,504	12,823,022

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

YTL POWER INTERNATIONAL BERHAD (Company No. 406684-H)
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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018

	Attributable to Owners of the Parent						
	Share Capital	Merger & Other Reserves	Treasury Shares	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 30 June 2017, as previously reported	7,019,847	(865,862)	(711,308)	7,816,148	13,258,825	230,855	13,489,680
Adjustments from adoption of MFRS 15	-	-	-	(86)	(86)	(57)	(143)
Restated balance as at 1 July 2017	7,019,847	(865,862)	(711,308)	7,816,062	13,258,739	230,798	13,489,537
Profit for the financial period	-	-	-	413,992	413,992	71,490	485,482
Other comprehensive (loss)/income for the financial period	-	(797,955)	-	188,584	(609,371)	(75,653)	(685,024)
Total comprehensive (loss)/income for the financial period	-	(797,955)	-	602,576	(195,379)	(4,163)	(199,542)
Effects arising from changes in composition of the Group	-	-	-	(2,236)	(2,236)	(23,003)	(25,239)
Dividends paid to non-controlling interests	-	-	-	-	-	(110,740)	(110,740)
Interim dividend paid for the financial year ended 30 June 2017	-	-	-	(388,585)	(388,585)	-	(388,585)
Issue of share capital	17,149	-	-	-	17,149	-	17,149
Share dividend	-	-	287,706	(287,706)	-	-	-
Share option lapsed	-	(539)	-	539	-	-	-
Share repurchased	-	-	(3)	-	(3)	-	(3)
Warrants reserves	1,510	(1,510)	-	-	-	-	-
Restated balance as at 31 March 2018	7,038,506	(1,665,866)	(423,605)	7,740,650	12,689,685	92,892	12,782,577

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	9 MONTHS ENDED	
	31.3.2019 RM'000	**31.3.2018 RM'000 (Restated)**
Cash flows from operating activities		
Profit for the financial period	391,028	485,482
Adjustment for:		
Allowance for impairment of associate	-	432
Allowance for impairment of inventories	829	936
Allowance for impairment of receivables (net of reversals)	124,551	58,730
Amortisation of contract costs	9,092	19,621
Amortisation of deferred income	(1,078)	(6,773)
Amortisation of grants and contributions	(16,377)	(16,001)
Amortisation of intangible assets	4,889	3,551
Depreciation of property, plant and equipment	851,212	810,505
Fair value gain on derivatives	(12,286)	-
Fair value (gain)/loss on investments	(15,738)	19,945
Interest expense	850,903	811,701
Interest income	(5,830)	(7,309)
Net (gain)/loss on disposal of property, plant and equipment	(2,497)	1,414
Property, plant and equipment written off	2,941	17,279
Provision for liabilities and charges	1,215	1,455
Provision for post-employment benefit	38,694	46,110
Share of profits of investments accounted for using the equity method	(312,064)	(301,344)
Share option expenses	3,999	-
Taxation	96,041	172,894
Unrealised loss on foreign exchange	5,026	372
Other non-cash items	(3,668)	(4,004)
	2,010,882	2,114,996
Changes in working capital:		
Inventories	12,968	3,104
Receivables, deposits and prepayments	(157,648)	(261,796)
Payables and accrued expenses	(67,527)	175,543
Cash flows from operations	1,798,675	2,031,847
Interest paid	(775,001)	(710,302)
Payment to post-employment benefit obligations	(98,092)	(95,731)
Tax paid	(147,226)	(144,426)
Net cash flows from operating activities	778,356	1,081,388

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 - Continued

	9 MONTHS ENDED	
	31.3.2019 RM'000	**31.3.2018 RM'000 (Restated)**
Cash flows from investing activities		
Acquisition of a subsidiary	-	(19,600)
Additional investments accounted for using the equity method	-	(432)
Development expenditure incurred on investment properties	(29,780)	(31,492)
Dividends received	302,906	294,660
Grants received	46,656	39,816
Interest received	11,379	11,685
Maturities of income funds	1,175,382	171,492
Prepayment for land acquisition	(10,130)	(4,277)
Proceeds from disposal of property, plant and equipment	8,003	7,813
Purchase of intangible assets	(1,050)	(94)
Purchase of property, plant and equipment	(1,047,429)	(1,290,007)
Shareholder loans	(37,036)	(37,054)
Net cash flows from/(used in) investing activities	418,901	(857,490)
Cash flows from financing activities		
Dividends paid	(383,765)	(388,585)
Dividends paid to non-controlling interests	(38,446)	(110,740)
Proceeds from borrowings	2,277,546	6,326,090
Proceeds from issue of shares	-	17,149
Repayment of borrowings	(3,063,506)	(6,914,057)
Repurchase of own shares	(198,625)	(3)
Net cash flows used in financing activities	(1,406,796)	(1,070,146)
Net changes in cash and cash equivalents	(209,539)	(846,248)
Effects of exchange rate changes	71,432	(499,278)
Cash and cash equivalents at beginning of the financial year	7,305,091	8,943,033
Cash and cash equivalents at end of the financial period *[Note a]*	7,166,984	7,597,507

[Note a]
Cash and cash equivalents at the end of the financial period comprise:

	RM'000	**RM'000**
Fixed deposits	6,898,492	7,235,880
Cash and bank balances	353,841	361,703
Bank overdrafts (included within short term borrowing in [Note B9])	(85,349)	(76)
	7,166,984	7,597,507

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

The interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 30 June 2018.

A1. Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: "Interim Financial Reporting" and Chapter 9, part K paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The explanatory notes contained herein provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2018.

The accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2018, except for changes arising from the adoption of MFRS 9 "Financial Instruments" and MFRS 15 "Revenue from Contracts with Customers" as described below:

(a) MFRS 9 "Financial Instruments" ("MFRS 9")

MFRS 9 replaces MFRS 139 "Financial Instruments: Recognition and Measurement". The adoption of MFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets.

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 ("FVOCI"). 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 FVOCI (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.

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 in the income statement, unless this creates an accounting mismatch.

MFRS 9 introduces an expected credit loss model ("ECL") on impairment that replaces the incurred loss impairment model used in MFRS 139. The expected credit loss model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

(a) MFRS 9 "Financial Instruments" ("MFRS 9") (continued)

On the date of initial application, the Group has confirmed that its current hedge relationships will qualify as continuing hedges upon the adoption of MFRS 9. There is no change on classification other than reclassification of available-for-sale financial assets to financial assets at FVOCI. As for the ECL impact, the Group has concluded that the impact is immaterial.

(b) MFRS 15 "Revenue from Contracts with Customers" ("MFRS 15")

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

MFRS 15 has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The main changes are explained below:

(i) Accounting for sale of device as part of bundled telecommunication service package

MFRS 15 requires devices which the Group promises to transfer as part of a bundled package with mobile telecommunication services to be considered distinct and thus accounted for as a separate performance obligation.

As a result, total consideration received from such a package are allocated to the service and device based on relative stand-alone selling prices. This results in an allocation and early recognition of a portion of telecommunication service revenue as device revenue, an earlier recognition of device subsidy expenses which was capitalised as intangible asset previously and subsequently, a reduction in service revenue throughout the contract period. The recognition of higher device revenue upfront also resulted in recognition of what is known as a contract asset (a receivable arising from the customer contract that has not yet legally come into existence) in the statement of financial position.

(ii) Incremental costs of obtaining a contract

Under MFRS 15, the Group capitalises sales commissions and device costs (for those device which is bundled with fixed line telecommunication service and not distinct performance obligation) as costs of obtaining a contract with a customer when they are incremental and expected to be recovered. These costs are amortised consistently with the transfer of the good or service to the customer.

In accordance with the transitional provisions in MFRS 15, the Group has elected to adopt the full retrospective approach, requiring the restatement of the comparative period presented in the financial statements. Refer to Note A1(c) for the adjustments made to the comparative figures.

Notes - continued

(c) Restatement of comparative figures

(i) Reconciliation of consolidated income statement

	QUARTER ENDED 31.3.2018			9 MONTHS ENDED 31.3.2018		
	Previously reported RM'000	**Effects of MFRS 15 RM'000**	**Restated RM'000**	**Previously reported RM'000**	**Effects of MFRS 15 RM'000**	**Restated RM'000**
Revenue	2,590,016	(628)	2,589,388	7,809,264	(10,656)	7,798,608
Cost of sales	(2,021,375)	1,192	(2,020,183)	(6,220,075)	10,696	(6,209,379)
Gross profit	568,641	564	569,205	1,589,189	40	1,589,229
Other operating income	6,742	-	6,742	32,498	-	32,498
Other operating expenses	(192,250)	-	(192,250)	(452,994)	-	(452,994)
Profit from operations	383,133	564	383,697	1,168,693	40	1,168,733
Finance costs	(267,380)	-	(267,380)	(811,701)	-	(811,701)
Share of profits of investments accounted for using the equity method	102,400	-	102,400	301,344	-	301,344
Profit before taxation	218,153	564	218,717	658,336	40	658,376
Taxation	(52,530)	-	(52,530)	(172,894)	-	(172,894)
Profit for the period	165,623	564	166,187	485,442	40	485,482
Attributable to:						
Owners of the parent	145,018	338	145,356	413,963	29	413,992
Non-controlling interests	20,605	226	20,831	71,479	11	71,490
	165,623	564	166,187	485,442	40	485,482
Earnings per share for profit attributable to owners of the parent:						
Basic (sen)	1.83		1.83	5.27		5.27
Diluted (sen)	1.83		1.83	5.27		5.27

(c) <u>Restatement of comparative figures</u> (continued)

(ii) Reconciliation of financial position and equity

	AS AT 30.6.2018		
	Previously reported RM'000	Effects of MFRS 15 RM'000	Restated RM'000
ASSETS			
Non-current assets			
Intangible assets	8,040,576	(11,011)	8,029,565
Receivables, deposits and prepayments	949,497	3,511	953,008
Other non-current assets	25,121,047	-	25,121,047
	34,111,120	(7,500)	34,103,620
Current assets			
Receivables, deposits and prepayments	2,295,541	8,100	2,303,641
Other current assets	9,849,281	-	9,849,281
	12,144,822	8,100	12,152,922
TOTAL ASSETS	46,255,942	600	46,256,542
EQUITY AND LIABILITIES			
Share capital	7,038,587	-	7,038,587
Reserves	6,484,175	346	6,484,521
Treasury shares, at cost	(509,634)	-	(509,634)
Equity attributable to owners of the parent	13,013,128	346	13,013,474
Non-controlling interests	111,386	217	111,603
TOTAL EQUITY	13,124,514	563	13,125,077
Non-current liabilities	27,635,633	-	27,635,633
Current liabilities			
Payables and accrued expenses	2,070,210	37	2,070,247
Other current liabilities	3,425,585	-	3,425,585
	5,495,795	37	5,495,832
TOTAL LIABILITIES	33,131,428	37	33,131,465
TOTAL EQUITY AND LIABILITIES	46,255,942	600	46,256,542
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.66		1.66

Notes - continued

(c) Restatement of comparative figures (continued)

(iii) Reconciliation of cash flows

	9 MONTHS ENDED 31.3.2018		
	Previously reported RM'000	**Effects of MFRS 15 RM'000**	**Restated RM'000**
Cash flows from operating activities			
Profit for the financial period	485,442	40	485,482
Adjustment for:			
Amortisation of contract costs	-	19,621	19,621
Amortisation of intangible assets	37,487	(33,936)	3,551
Other non-cash items	1,606,342	-	1,606,342
	2,129,271	(14,275)	2,114,996
Changes in working capital:			
Inventories	3,104	-	3,104
Receivables, deposits and prepayments	(264,398)	2,602	(261,796)
Payables and accrued expenses	175,341	202	175,543
Cash flows from operations	2,043,318	(11,471)	2,031,847
Other cash flows used in operating activities	(950,459)	-	(950,459)
Net cash flows from operating activities	1,092,859	(11,471)	1,081,388
Cash flows from investing activities			
Purchase of intangible assets	(11,565)	11,471	(94)
Other cash flows used in investing activities	(857,396)	-	(857,396)
Net cash flows used in investing activities	(868,961)	11,471	(857,490)
Cash flows from financing activities			
Net cash flows used in financing activities	(1,070,146)	-	(1,070,146)
Net changes in cash and cash equivalents	(846,248)	-	(846,248)
Effects of exchange rate changes	(499,278)	-	(499,278)
Cash and cash equivalents at beginning of the financial year	8,943,033	-	8,943,033
Cash and cash equivalents at end of the financial period	7,597,507	-	7,597,507

The adoption of MFRSs or amendments to MFRSs which were effective for financial year beginning on or after 1 July 2018 do not have significant financial impact on the Group other than as disclosed above.

A2. Seasonality or Cyclicality of Operations

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

A3. Disaggregation of revenue

	Individual Quarter		Cumulative Quarter	
	31.3.2019 RM'000	31.3.2018 RM'000 (Restated)	31.3.2019 RM'000	31.3.2018 RM'000 (Restated)
Sale of electricity	1,689,148	1,430,420	4,905,256	4,218,080
Sale of steam	50,146	45,027	159,914	138,675
Sale of clean water and treatment and disposal of waste water	816,395	795,389	2,537,310	2,511,873
Broadband and telecommunications	229,388	190,326	634,943	580,055
Investment income and others	102,497	128,226	380,935	349,925
Total	2,887,574	2,589,388	8,618,358	7,798,608

A4. Unusual Items

For the current financial year to date, there was no item of unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A5. Changes in Estimates of Amounts Reported

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

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A6. Changes in Debt and Equity Securities

There was no share issued pursuant to the exercise of employees' share options granted under the Company's Employees Share Option Scheme during the current financial quarter and financial year to date.

During the current financial quarter and financial year to date, the Company repurchased 1,000 and 168,189,300 ordinary shares from the open market for a total consideration of RM909 and RM198,625,429, respectively. The share buyback transactions were financed by internally generated funds. The shares purchased are held as treasury shares. As at 31 March 2019, the number of treasury shares held was 482,906,712 ordinary shares.

On 24 August 2018, the Company issued two tranche of borrowings amounted to RM500.0 million each totalling RM1.0 billion Medium Term Notes ("MTN") pursuant to a MTN programme of up to RM5.0 billion. The proceeds were utilised on the same day to partially repay the Company's outstanding MTN of RM2.2 billion.

The outstanding debts are as disclosed in Note B9.

A7. Dividends Paid

The following dividend payment was made during the financial period ended 31 March 2019:-

	RM'000
In respect of the financial year ended 30 June 2018:	
An interim single tier dividend of 5 sen per ordinary share paid on 13 November 2018	383,765

A8. Segment Information

The Group has five reportable segments as described below:

a) Power generation (Contracted)
b) Multi utilities business (Merchant)
c) Water and sewerage
d) Mobile broadband network
e) Investment holding activities

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

Notes – continued

Segment information for the financial period ended 31 March 2019:

	Power generation (Contracted) RM'000	Multi utilities business (Merchant) RM'000	Water & sewerage RM'000	Mobile broadband network RM'000	Investment holding activities RM'000	Group RM'000
Total Revenue	594,496	4,587,993	2,544,469	637,578	306,039	8,670,575
Inter-segment elimination	-	-	-	(2,635)	(49,582)	(52,217)
External Revenue	594,496	4,587,993	2,544,469	634,943	256,457	8,618,358
Segment profit/(loss) before tax	41,747	(219,636)	577,827	(28,336)	115,467	487,069

Segment information for the financial period ended 31 March 2018 (Restated):

	Power generation (Contracted) RM'000	Multi utilities business (Merchant) RM'000	Water & sewerage RM'000	Mobile broadband network RM'000	Investment holding activities RM'000	Group RM'000
Total Revenue	438,342	4,066,047	2,517,650	585,036	241,957	7,849,032
Inter-segment elimination	-	-	-	(4,981)	(45,443)	(50,424)
External Revenue	438,342	4,066,047	2,517,650	580,055	196,514	7,798,608
Segment profit/(loss) before tax	5,127	68,245	667,422	(65,540)	(16,878)	658,376

A9. Events After the Interim Period

There was no item, transaction or event of a material or unusual nature during the period from the end of the quarter under review to the date of this report.

A10. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial period ended 31 March 2019, including business combinations, obtaining or losing control of subsidiaries and long-term investments, restructurings and discontinuing operations save for the following:

(i) On 9 July 2018, Yakin Telesel Sdn. Bhd. ("Yakin Telesel") increased its share capital from RM1.00 to RM100,000.00 via an issuance of additional 99,999 ordinary shares. KJS Alunan Sdn. Bhd. ("KJS Alunan") and Menteri Besar Selangor (Pemerbadanan) subscribed for 69,999 ordinary shares and 30,000 ordinary shares respectively in Yakin Telesel, at an issue price of RM1.00 per share in cash.

As a result, Yakin Telesel became a 70%-owned subsidiary of KJS Alunan and remain an indirect subsidiary of the Company.

(ii) On 9 August 2018, KJS Alunan increased its share capital from RM1.00 to RM10,000.00 via an issuance of additional 9,999 ordinary shares. Konsortium Jaringan Selangor Sdn. Bhd. ("Konsortium Jaringan") and Alunan Media Sdn. Bhd. subscribed for 6,999 ordinary shares and 3,000 ordinary shares respectively in KJS Alunan, at an issue price of RM1.00 per share in cash.

As a result, KJS Alunan became a 70%-owned subsidiary of Konsortium Jaringan and remain an indirect subsidiary of the Company.

(iii) YTL Jawa Power Services B.V. ("YTLJPS") has been deregistered from the Netherlands Chamber of Commerce Business Register as from 1 February 2019 followings its merger with YTL Jawa O & M Holdings B.V. in accordance with Title 7, Book 2 of the Dutch Civil Code. YTLJPS has then ceased to be an indirect wholly-owned subsidiary of the Company. Further to the deregistration, the transfer of 5 shares held by YTL Jawa Power Services B.V. in the capital of PT YTL Jawa Timur, to YTL Jawa O & M Holdings B.V. has been effected on 22 February 2019.

(iv) On 1 March 2019, YTL Infrastructure Holdings Sdn. Bhd. ("YTL Infrastructure Holdings") was incorporated as a wholly-owned subsidiary of the company.

YTL Infrastructure Holdings was incorporated with an issued share capital of RM1.00 comprising 1 ordinary share. YTL Infrastructure Holdings will be principally involved in investment holding.

(v) On 4 March 2019, Global Infrastructure Assets Sdn. Bhd. ("Global Infrastructure Assets") was incorporated as a wholly-owned subsidiary of YTL Infrastructure Holdings. As a result, Global Infrastructure Assets became an indirect subsidiary of the Company.

Global Infrastructure Assets was incorporated with an issued share capital of RM1.00 comprising 1 ordinary share. Global Infrastructure Assets will be principally involved in investment holding.

A11. Changes in Contingent Liabilities

There were no material changes in the contingent liabilities of the Group since the last financial year ended 30 June 2018.

A12. Fair value measurement

The Group measures 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 (unobservable inputs).

The following table presents the Group's assets and liabilities that are measured at fair value as at:

	Level 1 RM'000	Leve1 2 RM'000	Level 3 RM'000	Total RM'000
31.3.2019				
Assets				
Financial assets at fair value through profit or loss:				
- Trading derivatives	-	3,938	-	3,938
- Income funds	-	1,560,620	-	1,560,620
- Equity investments	-	3,859	-	3,859
Financial assets at fair value through other comprehensive income	60,246	44	163,130	223,420
Derivatives used for hedging	-	154,606	-	154,606
Total assets	60,246	1,723,067	163,130	1,946,443
Liabilities				
Financial liabilities at fair value through profit or loss:				
- Currency options contracts	6,554	-	-	6,554
- Trading derivatives	-	9,021	-	9,021
Derivatives used for hedging	-	47,900	-	47,900
Total liabilities	6,554	56,921	-	63,475

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of the Results

The comparison of the results is tabulated below:

	Individual Quarter		Variance	Cumulative Quarter		Variance
	31.3.2019 RM'000	31.3.2018 RM'000 (Restated)	% +/-	31.3.2019 RM'000	31.3.2018 RM'000 (Restated)	% +/-
Revenue						
Power generation (Contracted)	193,881	191,429	+1.3	594,496	438,342	+35.6
Multi utilities business (Merchant)	1,562,947	1,340,666	+16.6	4,587,993	4,066,047	+12.8
Water & sewerage	818,520	797,133	+2.7	2,544,469	2,517,650	+1.1
Mobile broadband network	229,388	190,326	+20.5	634,943	580,055	+9.5
Investment holding activities	82,838	69,834	+18.6	256,457	196,514	+30.5
	2,887,574	2,589,388	+11.5	8,618,358	7,798,608	+10.5
Profit/(Loss) before taxation						
Power generation (Contracted)	14,775	8,952	+65.0	41,747	5,127	+714.3
Multi utilities business (Merchant)	(86,544)	12,233	-807.5	(219,636)	68,245	-421.8
Water & sewerage	178,100	244,439	-27.1	577,827	667,422	-13.4
Mobile broadband network	(9,940)	(27,289)	+63.6	(28,336)	(65,540)	+56.8
Investment holding activities	70,917	(19,618)	+461.5	115,467	(16,878)	+784.1
	167,308	218,717	-23.5	487,069	658,376	-26.0

a) Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded a revenue of RM2,887.6 million for the current financial quarter ended 31 March 2019 as compared to RM2,589.4 million recorded in the preceding year corresponding quarter ended 31 March 2018. The Group profit before taxation for the current financial quarter was RM167.3 million, a decrease of RM51.4 million or 23.5% as compared to a profit of RM218.7 million recorded in the preceding year corresponding quarter.

Performance of the respective operating business segments for the quarter ended 31 March 2019 as compared to the preceding year corresponding quarter is analysed as follows:

Power generation (Contracted)
The increase in profit before taxation was mainly attributable to higher revenue recorded and lower operating costs.

Multi utilities business (Merchant)
The higher revenue was mainly due to higher fuel oil price. The loss before taxation was mainly due to lower vesting contract level, lower retail margin, higher operating and finance costs.

Water & sewerage
The increase in revenue was mainly due to the increase in price as allowed by regulator. The lower profit before taxation was mainly due to higher depreciation charges.

Mobile broadband network
The reduction in loss before taxation was mainly attributable to increase in revenue recorded.

Investment holding activities
The higher revenue was mainly due to the accrued technical service income and recognition of hotel revenue, partially offset by lower interest income. The higher profit before taxation was principally attributable to lower operating costs, fair value gain on investments and derivatives, accrued technical service income and partially offset by lower interest income as mentioned.

b) Current Year to date vs Preceding Year to date

Group revenue was RM8,618.4 million for the current financial period ended 31 March 2019 as compared to RM7,798.6 million recorded in the preceding financial period ended 31 March 2018. The Group profit before taxation for the current financial period was RM487.1 million, a decrease of RM171.3 million or 26.0% as compared to a profit of RM658.4 million recorded in the preceding year corresponding period. The lower profit before taxation was principally attributable to the loss recorded in Multi utilities business segment and partially offset by better performance in Power generation (Contracted) segment and Investment holding activities segment.

Performance of the respective operating business segments for the period ended 31 March 2019 as compared to the preceding year corresponding period was consistent with the notes mentioned in (a) above with the exception of the business segments mentioned below:

Power generation (Contracted)
Paka Power Plant commenced its short-term capacity generation from 1 September 2017 and this contributes higher profit before taxation.

Multi utilities business (Merchant)
The higher revenue was mainly due to higher fuel oil price. The loss before taxation was mainly due to lower vesting, retail and tank leasing margin, higher operating and finance costs, and coupled with an allowance for impairment of receivable following a court decision on the outstanding litigation as disclosed in Note B11.

Water & sewerage
The lower profit before taxation was mainly due to the strengthening of Ringgit Malaysia against Great Britain Pound, higher finance costs and depreciation charges.

Investment holding activities
The higher revenue was mainly due to the accrued technical service income and recognition of hotel revenue. The higher profit before taxation was principally attributable to lower operating costs, higher share of profits of the associates, fair value gain on investments and derivatives, and coupled with accrued technical service income as mentioned.

B2. Comparison with Preceding Quarter

	Current Quarter 31.3.2019 RM'000	Preceding Quarter 31.12.2018 RM'000	Variance % +/-
Revenue	2,887,574	2,927,354	-1.4
Consolidated profit before taxation	167,308	129,018	+29.7
Consolidated profit after taxation	139,260	101,370	+37.4

The higher profit before taxation was primarily attributable to the one-off recognition of an allowance for impairment of receivable following a court decision on the outstanding litigation in Multi utilities business (Merchant) segment in preceding quarter, better returns in Investment holding activities segment and partially offset by lower returns in the Water and sewerage segment in current quarter.

B3. Prospects

Power generation (Contracted)
The Group has an 80% equity interest in PT Tanjung Jati Power Company ("TJPC"), an independent power producer which is undertaking the development of Tanjung Jati A, a 2 x 660 megawatt coal-fired power project in Java, Indonesia. TJPC has a 30-year power purchase agreement with PT PLN (Persero), Indonesia's state-owned electric utility company, amended and restated in December 2015 and March 2018. The project is currently in the development stage and progress is underway towards achieving financial close.

The Group also has a 45% equity interest in Attarat Power Company ("APCO"), which is developing a 554 megawatt oil shale fired power generation project in the Hashemite Kingdom of Jordan. APCO has signed a 30-year power purchase agreement (including construction period of 3.5 years) with the National Electric Power Company ("NEPCO"), Jordan's state-owned utility, for the entire electrical capacity and energy of the power plant, with an option for NEPCO to extend the power purchase agreement to 40 years (from the commercial operation date of the project's second unit). Construction has commenced on the project, with operations scheduled to commence in mid-2020.

YTL Power Generation Sdn. Bhd. ("YTLPG") commenced its operation on 1 September 2017 for the supply of 585MW of capacity from the existing facility in Paka for a term of 3 years 10 months, which will be expiring on 30 June 2021. YTLPG is expected to perform satisfactorily as it operates under a regulatory regime.

Multi utilities business (Merchant)
The electricity market in Singapore will remain competitive, driven by volatilities across global markets and generation capacity oversupply in the wholesale electricity market. Despite the current challenges, this segment will continue to focus on customer service and diversification beyond the core business into integrated multi-utilities supply.

Water & sewerage
Wessex Water which operates under a strict regulatory regime is confident of delivering its 2015-20 regulatory outperformance target whilst continuing to provide customers with first-class affordable service.

Mobile broadband network
The Group has continued to implement the 1BestariNet project for the Government of Malaysia, providing internet connectivity to more than 10,000 schools across the country and adding new features to the Frog VLE (Virtual Learning Environment), a learning platform that allows schools to simplify and enhance teaching and learning, communication and administration. Plans are also underway to expand the Yes service in Sarawak.

B4. Variance of Actual Profit from Financial Estimate, Forecast, Projection or Profit Guarantee

The Group did not issue any financial estimate, forecast, projection or profit guarantee during the current financial year to date.

B5. Audit Report of the preceding financial year ended 30 June 2018

The Auditors' Report on the financial statements of the financial year ended 30 June 2018 did not contain any qualification.

B6. Profit for the period

	Current Quarter 31.3.2019 RM'000	Current Year To Date 31.3.2019 RM'000
Profit before taxation is stated after charging/(crediting):		
Allowance for impairment of inventories	194	829
Allowance for impairment of receivables (net of reversals)	18,056	124,551
Amortisation of contract costs	1,543	9,092
Amortisation of deferred income	(359)	(1,078)
Amortisation of grants and contributions	(5,502)	(16,377)
Amortisation of intangible assets	1,739	4,889
Depreciation of property, plant and equipment	248,584	851,212
Fair value gain on derivatives	(6,254)	(12,286)
Fair value gain on investments	(18,496)	(15,738)
Interest income	(1,892)	(5,830)
Interest expense	279,644	850,903
Loss on foreign exchange	3,619	7,991
Net loss/(gain) on disposal of property, plant and equipment	2,817	(2,497)
Property, plant and equipment written off	-	2,941
Provision for liabilities and charges	309	1,215
	=========	=========

There was no exceptional items charged/(credited) for the period.

B7. Taxation

	Current Quarter 31.3.2019 RM'000	Current Year To Date 31.3.2019 RM'000
In respect of current period		
- Income Tax	20,904	93,122
- Deferred Tax	7,144	2,919
	28,048	96,041

The lower effective tax rate of the Group as compared to the Malaysian statutory income tax rate for the current financial quarter and financial year to date was mainly due to income subjected to different tax jurisdictions and partially offset by non-deductibility of certain expenses for tax purposes.

B8. Corporate Proposals

There were no corporate proposals announced by the Company which are not completed as at the date of this report.

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B9. Group Borrowings and Debt Securities

The Group's borrowings from financial institutions as at 31 March 2019 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current			
Bank overdrafts	-	85,349	85,349
Committed bank loans	-	54,274	54,274
Finance lease	335	36,216	36,551
Revolving credit	-	630,640	630,640
	335	806,479	806,814
Non-current			
Bonds	-	14,730,408	14,730,408
Committed bank loans	-	739,503	739,503
Finance lease	567	23,453	24,020
Revolving credit	-	298,618	298,618
Term loans	-	10,046,635	10,046,635
	567	25,838,617	25,839,184
Total borrowings	**902**	**26,645,096**	**26,645,998**

The borrowings which are denominated in foreign currency are as follows:

	Foreign currency '000	RM Equivalents '000
US Dollar	647,468	2,642,317
Sterling Pound	2,140,043	11,409,853
Singapore Dollar	1,972,931	5,938,128

All borrowings of the subsidiaries are on non-recourse basis to the Company save and except for borrowings totalling RM293.8 million, for which the Company has provided corporate guarantees to the financial institutions.

B10. Derivative Financial Instruments and Fair Value Changes of Financial Liabilities

(a) Derivative Financial Instruments

As at 31 March 2019, the Group's outstanding derivatives are as follows:

Type of Derivatives	Contract/Notional Value RM'000	Fair Value RM'000
Fuel oil Swaps		
- Less than 1 year	1,507,523	115,897
- 1 year to 3 years	468,926	2,731
- More than 3 years	-	-
Currency forwards		
- Less than 1 year	1,565,153	(15,208)
- 1 year to 3 years	618,363	(1,597)
- More than 3 years	200	(200)
Currency options contracts		
- Less than 1 year	-	-
- 1 year to 3 years	1,632,400	(6,554)
- More than 3 years	-	-

The Group entered into fuel oil swaps to hedge highly probable forecast physical fuel oil and natural gas purchases that are expected to occur at various dates in the future. The fuel oil swaps have maturity dates that match the expected occurrence of these transactions.

The Group entered into currency forwards to hedge highly probable forecast transactions denominated in foreign currency expected to occur in the future. The currency forwards have maturity dates that match the expected occurrence of these transactions.

The Group entered into currency options contracts to enjoy interest rate reduction in related borrowings with an acceptable risk profile.

All derivative financial instruments are executed with creditworthy counter parties with a view to limit the credit risk exposure of the Group.

(b) Fair Value Changes of Financial Liabilities

The gains/(losses) arising from fair value changes of financial liabilities for the current financial period ended 31 March 2019 are as follows:

Type of financial liabilities	Basis of fair value measurement	Reason for the gain/(loss)	Fair value gain/(loss)	
			Current quarter 31.3.2019 RM'000	Current year to date 31.3.2019 RM'000
Forward foreign currency exchange contracts	Foreign exchange differential between the contracted rate and the market forward rate	Foreign exchange rates differential between the contracted rate and the market forward rate which have moved unfavourably against the Group	(22)	(1,683)
Fuel oil swap	Fuel oil price differential between the contracted price and the market forward price	Fuel oil price differential between the contracted price and the market forward price which have moved (unfavourably against)/ in favour of the Group	(67)	3,082
Currency options contracts	Spot rate, interest rate and basis curve, volatility and time to maturity	Change in time value was greater due to shorter remaining tenor and volatility has moved in favour of the Group	6,254	12,286
		Total	6,165	13,685

B11. Material Litigation

There were no changes to the material litigations since the date of the last audited financial statements of financial position save for the following:

In 2015, a foreign subsidiary of the Group commenced proceedings in court against two customers to recover monies due to the subsidiary under contract, following termination of their electricity retail contracts. The trial was heard at the end of 2017 followed by a further hearing in November 2018. On 2 January 2019, the High Court ruled in favour of the subsidiary but awarded damages on a different basis from that claimed. This resulted in nominal damages being paid to the subsidiary. The foreign subsidiary's legal counsel has advised that there are real merits to appeal against the High Court's decision on the issue of damages. Accordingly, the subsidiary has filed an appeal against the decision and the appeal hearing is to be fixed by November 2019.

Notwithstanding the outcome of the appeal, the subsidiary has recognised a provision for the sum of RM70.5 million (SGD23.4 million) in the quarter ended 31 December 2018 based on the decision of the court.

B12. Dividend

No dividend has been declared for the current financial quarter.

B13. Earnings Per Share

i) Basic Earnings Per Share

The basic earnings per share of the Group has been computed by dividing the profit attributable to Owners of the Parent by the weighted average number of ordinary shares in issue during the financial quarter as set out below:

	Current Year Quarter 31.3.2019	**Preceding Year Corresponding Quarter 31.3.2018 (Restated)**
Profit attributable to Owners of the Parent (RM'000)	111,275	145,356
	========	========
Weighted average number of ordinary shares ('000)	7,675,303	7,928,828
	========	========
Basic earnings per share (Sen)	1.45	1.83
	========	========

ii) Diluted Earnings Per Share

The diluted earnings per share of the Group has been computed by dividing the profit attributable to Owners of the Parent by the weighted average number of ordinary shares in issue during the financial quarter as set out below:

	Current Year Quarter 31.3.2019	**Preceding Year Corresponding Quarter 31.3.2018 (Restated)**
Profit attributable to Owners of the Parent (RM'000)	111,275	145,356
	========	========
Weighted average number of ordinary shares – diluted ('000)		
Weighted average number of ordinary shares – basic	7,675,303	7,928,828
Effect of unexercised Warrants 2008/2018	-	1,742
	--------------	--------------
	7,675,303	7,930,570
	========	========
Diluted earnings per share (Sen)	1.45	1.83
	========	========

* *Total cash expected to be received in the event of an exercise of all outstanding ESOS is RM280.2 million. Accordingly, the Net Asset (NA) on a pro forma basis will increase by RM280.2 million resulting in a decrease in NA per share of RM0.01. In arriving at the Diluted earnings per share, NA and NA per share, no income has been accrued for the cash proceeds.*

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 31 May 2019