**YTL CORPORATION BERHAD**
Company No. 92647-H
Incorporated in Malaysia

**Interim Financial Report**
**31 March 2017**

# YTL CORPORATION BERHAD

Company No. 92647-H
Incorporated in Malaysia

## Interim Financial Report
## 31 March 2017

**YTL CORPORATION BERHAD (Company No. 92647-H)**
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

Interim financial report on consolidated results for the financial period ended 31 March 2017.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | 9 MONTHS ENDED | |
| | 31.03.2017 | 31.03.2016 | 31.03.2017 | 31.03.2016 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| **Revenue** | 3,716,372 | 3,617,745 | 10,830,597 | 12,004,530 |
| Cost of sales | (2,675,792) | (2,412,176) | (7,840,020) | (8,602,371) |
| Gross profit | 1,040,580 | 1,205,569 | 2,990,577 | 3,402,159 |
| Other operating income | 81,067 | 58,516 | 272,113 | 382,583 |
| Other operating expenses | (399,123) | (549,646) | (1,357,834) | (1,518,851) |
| **Profit from operations** | 722,524 | 714,439 | 1,904,856 | 2,265,891 |
| Finance costs | (327,859) | (322,204) | (949,785) | (1,006,043) |
| Share of results of associated companies and joint ventures | 118,638 | 97,117 | 306,539 | 299,204 |
| **Profit before taxation** | 513,303 | 489,352 | 1,261,610 | 1,559,052 |
| Taxation | (74,113) | (90,877) | (250,309) | (388,346) |
| **Profit for the period** | 439,190 | 398,475 | 1,011,301 | 1,170,706 |
| **Attributable to:** | | | | |
| Owners of the parent | 285,952 | 229,878 | 583,974 | 667,415 |
| Non-controlling interests | 153,238 | 168,597 | 427,327 | 503,291 |
| **Profit for the period** | 439,190 | 398,475 | 1,011,301 | 1,170,706 |
| **Earnings per share** | | | | |
| Basic (sen) | 2.74 | 2.21 | 5.56 | 6.41 |
| Diluted (sen) | 2.74 | 2.21 | 5.56 | 6.41 |

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 92647-H)**
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | CURRENT YEAR QUARTER 31.03.2017 RM'000 | PRECEDING YEAR CORRESPONDING QUARTER 31.03.2016 RM'000 | 9 MONTHS ENDED 31.03.2017 RM'000 | 9 MONTHS ENDED 31.03.2016 RM'000 |
| **Profit for the period** | 439,190 | 398,475 | 1,011,301 | 1,170,706 |
| **Other comprehensive income/(loss) :-** | | | | |
| ***Items that will not be reclassified subsequently to income statement:-*** | | | | |
| Re-measurement of post-employment benefit obligations | (202,355) | (113,285) | (202,355) | (113,285) |
| ***Items that may be reclassified subsequently to income statement:-*** | | | | |
| Available-for-sale financial assets | (2,522) | (611) | (4,161) | (2,475) |
| Cash flow hedges | (126,567) | 115,323 | 266,655 | (282,669) |
| Foreign currency translation | 457,415 | (1,245,723) | 1,473,217 | 340,724 |
| **Other comprehensive income/(loss) for the period, net of tax** | 125,971 | (1,244,296) | 1,533,356 | (57,705) |
| **Total comprehensive income/(loss) for the period** | 565,161 | (845,821) | 2,544,657 | 1,113,001 |
| **Attributable to :-** | | | | |
| Owners of the parent | 344,028 | (422,873) | 1,348,674 | 584,125 |
| Non-controlling interests | 221,133 | (422,948) | 1,195,983 | 528,876 |
| **Total comprehensive income/(loss) for the period** | 565,161 | (845,821) | 2,544,657 | 1,113,001 |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statement.

**YTL CORPORATION BERHAD (Company No. 92647-H)**
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

| | UNAUDITED AS AT 31.03.2017 RM'000 | AUDITED AS AT 30.06.2016 RM'000 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Property, plant & equipment | 27,728,264 | 26,637,266 |
| Investment properties | 10,211,517 | 9,637,514 |
| Investment in associated companies and joint ventures | 2,538,311 | 2,220,915 |
| Investments | 700,029 | 302,389 |
| Development expenditure | 765,213 | 771,733 |
| Intangible assets | 6,534,631 | 6,064,975 |
| Biological assets | 1,798 | 1,798 |
| Trade, other receivables and other non-current assets | 1,207,551 | 394,661 |
| Derivative financial instruments | 22,834 | 30,855 |
| | 49,710,148 | 46,062,106 |
| **Current Assets** | | |
| Inventories | 812,199 | 759,889 |
| Property development costs | 2,871,072 | 2,650,186 |
| Trade, other receivables and other current assets | 3,630,235 | 3,168,641 |
| Derivative financial instruments | 76,618 | 64,965 |
| Income tax assets | 77,663 | 44,813 |
| Amounts due from related parties | 74,858 | 62,255 |
| Short term investments | 732,557 | 708,127 |
| Fixed deposits | 12,141,836 | 12,664,529 |
| Cash and bank balances | 1,543,761 | 1,081,308 |
| | 21,960,799 | 21,204,713 |
| **TOTAL ASSETS** | 71,670,947 | 67,266,819 |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 92647-H)**
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued**

| | **Unaudited As At 31.03.2017 RM'000** | **Audited As At 30.06.2016 RM'000** |
|---|---|---|
| **EQUITY** | | |
| Share capital | 3,340,111 | 1,079,399 |
| Share premium | - | 2,069,188 |
| Other reserves | 1,700,573 | 827,630 |
| Retained earnings | 10,325,874 | 11,223,837 |
| Less : Treasury shares, at cost | (596,577) | (596,575) |
| **Total Equity Attributable to Owners of the Parent** | 14,769,981 | 14,603,479 |
| Non-Controlling Interests | 8,108,284 | 7,408,598 |
| **TOTAL EQUITY** | 22,878,265 | 22,012,077 |
| **LIABILITIES** | | |
| **Non-current liabilities** | | |
| Long term payables and other non-current liabilities | 1,038,536 | 1,005,556 |
| Bonds and borrowings | 32,760,960 | 33,971,610 |
| Grants and contributions | 458,272 | 427,843 |
| Deferred tax liabilities | 2,090,799 | 2,118,308 |
| Post-employment benefit obligations | 1,126,324 | 874,272 |
| Provision for liabilities and charges | 40,331 | 40,331 |
| Derivative financial instruments | 65,598 | 155,141 |
| | 37,580,820 | 38,593,061 |
| **Current liabilities** | | |
| Trade, other payables and other current liabilities | 3,059,508 | 2,989,798 |
| Derivative financial instruments | 117,386 | 248,330 |
| Amounts due to related parties | 8,568 | 9,203 |
| Bonds and borrowings | 7,703,788 | 3,090,582 |
| Income tax liabilities | 186,425 | 190,092 |
| Provision for liabilities and charges | 136,187 | 133,676 |
| | 11,211,862 | 6,661,681 |
| **TOTAL LIABILITIES** | 48,792,682 | 45,254,742 |
| **TOTAL EQUITY AND LIABILITIES** | 71,670,947 | 67,266,819 |
| Net Assets per share (RM) | 1.40 | 1.40 |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 92647-H)**
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

| Group | Share capital RM'000 | Share premium RM'000 | Retained earnings RM'000 | Treasury shares RM'000 | Other reserves RM'000 | Total RM'000 | Non-controlling interests RM'000 | Total Equity RM'000 |
|---|---|---|---|---|---|---|---|---|
| | ← Attributable to Owners of the Parent → | | | | | | | |
| At 1 July 2016 | 1,079,399 | 2,069,188 | 11,223,837 | (596,575) | 827,630 | 14,603,479 | 7,408,598 | 22,012,077 |
| Profit for the period | - | - | 583,974 | - | - | 583,974 | 427,327 | 1,011,301 |
| Other comprehensive income/(loss) | - | - | (108,360) | - | 873,060 | 764,700 | 768,656 | 1,533,356 |
| Total comprehensive income for the period | - | - | 475,614 | - | 873,060 | 1,348,674 | 1,195,983 | 2,544,657 |
| Changes in composition of the Group | - | - | (373,764) | - | - | (373,764) | 177,219 | (196,545) |
| Dividend paid | - | - | (1,000,031) | - | - | (1,000,031) | (673,516) | (1,673,547) |
| Issuance of share capital | 11,657 | 179,867 | - | - | - | 191,524 | - | 191,524 |
| Share option lapsed | - | - | 218 | - | (117) | 101 | - | 101 |
| Share buyback | - | - | - | (2) | - | (2) | - | (2) |
| Transition to no par value regime* | 2,249,055 | (2,249,055) | - | - | - | - | - | - |
| At 31 March 2017 | 3,340,111 | - | 10,325,874 | (596,577) | 1,700,573 | 14,769,981 | 8,108,284 | 22,878,265 |

* Effective from 31 January 2017, the new Companies Act 2016 ("Act") abolished the concept of authorised share capital and par value of share capital. Consequently, the credit balance of the share premium becomes part of the Company's share capital pursuant to the transitional provision set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use this amount for purposes as set out in Section 618(3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

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 2016 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 92647-H)**
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2016**

| Group | Attributable to Owners of the Parent | | | | | | Non-controlling interests RM'000 | Total Equity RM'000 |
|---|---|---|---|---|---|---|---|---|
| | Share capital RM'000 | Share premium RM'000 | Retained earnings RM'000 | Treasury shares RM'000 | Other reserves RM'000 | Total RM'000 | | |
| At 1 July 2015 (as previously stated) | 1,079,399 | 2,069,188 | 11,591,646 | (596,574) | 489,086 | 14,632,745 | 6,163,877 | 20,796,622 |
| Prior year adjustments | - | - | (12,167) | - | - | (12,167) | (11,458) | (23,625) |
| At 1 July 2015 (as restated) | 1,079,399 | 2,069,188 | 11,579,479 | (596,574) | 489,086 | 14,620,578 | 6,152,419 | 20,772,997 |
| Profit for the period | - | - | 667,415 | - | - | 667,415 | 503,291 | 1,170,706 |
| Other comprehensive income/(loss) | - | - | (60,988) | - | (22,302) | (83,290) | 25,585 | (57,705) |
| Total comprehensive income/(loss) for the period | - | - | 606,427 | - | (22,302) | 584,125 | 528,876 | 1,113,001 |
| Changes in composition of the Group | - | - | (249,198) | - | (851) | (250,049) | 824,427 | 574,378 |
| Issue of bonus issue | - | - | (90) | - | 67 | (23) | - | (23) |
| Conversion of ICULS | - | - | - | - | (191) | (191) | - | (191) |
| Dividend paid | - | - | (989,771) | - | - | (989,771) | (686,853) | (1,676,624) |
| Share option lapsed | - | - | 303 | - | (163) | 140 | - | 140 |
| Share option expenses by subsidiary | - | - | - | - | (634) | (634) | - | (634) |
| Share buyback | - | - | - | (1) | - | (1) | - | (1) |
| At 31 March 2016 | 1,079,399 | 2,069,188 | 10,947,150 | (596,575) | 465,012 | 13,964,174 | 6,818,869 | 20,783,043 |

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 2016 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 92647-H)**
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017**

| | 9 MONTHS ENDED | |
|---|---|---|
| | 31.03.2017 | 31.03.2016 |
| | RM'000 | RM'000 |
| **Cash flows from operating activities** | | |
| Profit before taxation | 1,261,610 | 1,559,052 |
| Adjustments for :- | | |
| Adjustment on fair value of investment properties | 39,625 | - |
| Allowance for impairment of inventories | 1,405 | 1,566 |
| Amortisation of grants and contributions | (14,643) | (16,037) |
| Amortisation of other intangible assets | 55,576 | 69,922 |
| Depreciation | 1,096,026 | 1,251,943 |
| Dividend income | (45,975) | (4,762) |
| Fair value changes of derivatives | (5,660) | 17,101 |
| Gain on disposal of investments | (33,563) | - |
| Gain on disposal of property, plant and equipment | (13,941) | (6,290) |
| Impairment losses/(reversal of impairment) on receivables | 87,111 | (82,667) |
| Interest expense | 949,785 | 1,006,043 |
| Interest income | (163,429) | (275,635) |
| Property, plant and equipment written off | 32,102 | 96 |
| Provision for post-employment benefit | 43,294 | 47,573 |
| Provision for liabilities and charges | - | 22,336 |
| Share of results of associated companies and joint ventures | (306,539) | (299,204) |
| Unrealised loss on foreign exchange | 63,335 | 65,416 |
| Other non-cash items | (5,444) | 9,477 |
| **Operating profit before changes in working capital** | 3,040,675 | 3,365,930 |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 92647-H)**
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017 - continued**

| | 9 MONTHS ENDED | |
|---|---|---|
| | **31.03.2017** | **31.03.2016** |
| | **RM'000** | **RM'000** |
| **Changes in working capital :-** | | |
| Inventories | (54,844) | 14,248 |
| Property development costs | (30,564) | (97,441) |
| Receivables, deposits and prepayments | (1,259,160) | 451,490 |
| Payables and accrued expenses | (63,907) | (180,578) |
| Related parties balances | (13,238) | (7,778) |
| **Cash generated from operations** | 1,618,962 | 3,545,871 |
| Dividend received | 347,345 | 320,694 |
| Interest paid | (906,475) | (1,028,579) |
| Interest received | 139,421 | 209,134 |
| Income tax paid | (337,300) | (403,127) |
| Payment to a retirement benefits scheme | (85,059) | (94,221) |
| **Net cash from operating activities** | 776,894 | 2,549,772 |
| **Cash flows from investing activities** | | |
| Acquisition of additional shares in existing subsidiaries | (393,589) | (185,738) |
| Acquisition of associated companies | (11,002) | - |
| Acquisition of new subsidiaries (net of cash acquired) | (12) | (8,258) |
| Additional investment in existing associated companies | - | (3,254) |
| Development expenditure incurred | (87,860) | (469,650) |
| Grants received in respect of infrastructure assets | 44,563 | 161,335 |
| Net (purchase)/proceeds from disposal of investments | (330,345) | 2,198 |
| Net (purchase)/proceeds from disposal of investment properties | (6,749) | 81,442 |
| Purchase of intangible assets | (30,730) | (57,280) |
| Net purchase of property, plant and equipment | (1,388,188) | (1,521,644) |
| **Net cash used in investing activities** | (2,203,912) | (2,000,849) |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

YTL CORPORATION BERHAD (Company No. 92647-H)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017 - continued

| | 9 MONTHS ENDED | |
|---|---|---|
| | **31.03.2017 RM'000** | **31.03.2016 RM'000** |
| **Cash flows from financing activities** | | |
| Dividend paid | (1,000,031) | (989,771) |
| Dividend paid to non-controlling interests by subsidiaries | (673,516) | (686,853) |
| Proceeds from borrowings | 2,979,925 | 2,784,712 |
| Proceeds from issue of shares | 191,524 | - |
| Proceeds from issue of shares in subsidiaries to non-controlling interests | 256,609 | 776,556 |
| Repayment of borrowings | (972,798) | (2,999,908) |
| Repurchase of own shares by the Company (at net) | (2) | (1) |
| Repurchase of subsidiaries' shares by subsidiaries | (2) | (3) |
| **Net cash from/(used in) financing activities** | 781,709 | (1,115,268) |
| Net changes in cash and cash equivalents | (645,309) | (566,345) |
| Effect of exchange rate changes | 651,345 | 29,126 |
| Cash and cash equivalents at beginning of the financial year | 13,679,430 | 14,031,412 |
| Cash and cash equivalents at end of the financial period | 13,685,466 | 13,494,193 |
| **Cash and cash equivalents comprise :-** | | |
| Fixed deposits | 12,141,836 | 12,086,153 |
| Cash and bank balances | 1,543,761 | 1,408,593 |
| Bank overdraft | (131) | (553) |
| | 13,685,466 | 13,494,193 |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

**Notes:-**

**Disclosure requirements pursuant to FRS 134 – paragraph 16**

The Condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2016.

## A1. Accounting Policies and Methods of Computation

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

The accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the latest audited annual financial statements except for the adoption of the amendments to FRSs and IC Interpretations ("IC Int") that are applicable to the Group for the financial period beginning 1 July 2016.

The adoption of these amendments to FRSs and IC Int does not have any significant impact on the financial statements of the Group.

<u>Malaysia Financial Reporting Standards ("MFRS") Framework</u>

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called 'Transitioning Entities'). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018. Early application of MFRS is permitted.

The Group and the Company fall within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 June 2019.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**Notes: - continued**

## A2. Seasonality or Cyclicality of Operations

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

## A3. Exceptional or Unusual Items

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

## A4. Changes in estimates of amounts reported

There was no significant change in estimates of amounts reported in prior interim periods or prior financial years.

## A5. Changes in Debt and Equity Securities

During the current financial period, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following:-

(i) 107,995,592 ordinary shares were issued in exchange for 323,990,952 ordinary shares in YTL e-Solutions Berhad at an issue price of RM1.65 per share pursuant to the conditional share exchange offer by the Company.

(ii) 8,572,575 ordinary shares were issued pursuant to the compulsory acquisition of 24,242,748 ordinary shares in YTL e-Solutions Berhad at an issue price of RM1.555 per share.

(iii) 1,000 ordinary shares were repurchased from the open market at RM1.55 per share. The total consideration paid for the share buy-back, including transaction costs amounted to RM1,595 and was financed by internally generated funds. The shares purchased are held as treasury shares. As at 31 March 2017, the number of treasury shares held was 375,348,139 ordinary shares.

## A6. Dividend paid

The following dividend payment was made during the financial period ended 31 March 2017:

| | RM’000 |
|---|---|
| In respect of the financial year ended 30 June 2016:- | |
| An interim single tier dividend of 95% or 9.5 sen per ordinary share paid on 15 November 2016 | 1,000,031 |

**A7. Segment Information**

Inter-segment pricing is determined based on a negotiated basis.

The Group's segmental result for the financial period ended 31 March 2017 is as follows:-

| | Construction RM'000 | Information technology & e-commerce related business RM'000 | Cement Manufacturing & trading RM'000 | Property investment & development RM'000 | Management services & others RM'000 | Hotels RM'000 | Utilities RM'000 | Elimination RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|---|
| External revenue | 93,623 | 2,813 | 1,767,374 | 889,094 | 277,768 | 742,826 | 7,057,099 | - | 10,830,597 |
| Inter-segment revenue | 310,187 | 61,176 | 13,835 | 149,173 | 225,009 | 10,070 | 11,638 | (781,088) | - |
| Total revenue | 403,810 | 63,989 | 1,781,209 | 1,038,267 | 502,777 | 752,896 | 7,068,737 | (781,088) | 10,830,597 |
| Segment results | | | | | | | | | |
| Profit from operations | 31,617 | 1,434 | 237,661 | 350,766 | 385,498 | 107,707 | 790,173 | - | 1,904,856 |
| Finance costs | | | | | | | | | (949,785) |
| | | | | | | | | | 955,071 |
| Share of profit of associated companies & joint ventures | | | | | | | | | 306,539 |
| Profit before taxation | | | | | | | | | 1,261,610 |

**A7. Segment Information - continued**

Inter-segment pricing is determined based on a negotiated basis.

The Group's segmental result for the financial period ended 31 March 2016 is as follows:-

| | Construction RM'000 | Information technology & e-commerce related business RM'000 | Cement Manufacturing & trading RM'000 | Property investment & development RM'000 | Management services & others RM'000 | Hotels RM'000 | Utilities RM'000 | Elimination RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|---|
| External revenue | 87,456 | 2,951 | 2,133,461 | 741,552 | 435,281 | 701,398 | 7,902,431 | - | 12,004,530 |
| Inter-segment revenue | 222,473 | 60,864 | 25,297 | 147,188 | 222,180 | 9,181 | 10,425 | (697,608) | - |
| Total revenue | 309,929 | 63,815 | 2,158,758 | 888,740 | 657,461 | 710,579 | 7,912,856 | (697,608) | 12,004,530 |
| Segment results | | | | | | | | | |
| Profit from operations | 11,275 | 1,661 | 465,874 | 366,364 | 272,227 | 70,681 | 1,077,809 | - | 2,265,891 |
| Finance costs | | | | | | | | | (1,006,043) |
| | | | | | | | | | 1,259,848 |
| Share of profit of associated companies | | | | | | | | | 299,204 |
| Profit before taxation | | | | | | | | | 1,559,052 |

## A8. Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the current financial period ended 31 March 2017, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations except for the following:-

- On 9 September 2016, YTL Hotels & Properties Sdn Bhd ("YTLHP"), a wholly-owned subsidiary of the Company, acquired 1 share of GBP1.00, representing the entire issued and paid-up share capital in Glasshouse Hotel (Cayman) Limited ("Glasshouse Cayman") at par value. As a result, Glasshouse Cayman became a wholly-owned subsidiary of YTLHP and an indirect subsidiary of the Company. Glasshouse Cayman will be principally engaged in investment holding.

- On 13 September 2016, Glasshouse Cayman incorporated a wholly-owned subsidiary known as Glasshouse Hotel Limited ("Glasshouse Hotel") in England and Wales with an issued share capital of GBP1.00 comprising 1 ordinary share of the nominal value of GBP1.00. Glasshouse Hotel will be principally engaged in investment holding.

- On 27 September 2016. Glasshouse Hotel acquired the entire issued and paid-up share capital of the following corporations:-

  1. RW Gower Street Limited ("Gower Street") comprising 2,949,664 ordinary shares of GBP1.00 each; and
  2. RW Greenside Place Limited ("Greenside Place") comprising 2,948,368 ordinary shares of GBP1.00 each,

  for a cash consideration of GBP6,868,081 and GBP200,000, respectively, as adjusted pursuant to an agreement dated 27 September 2016 ("the Acquisition"). Gower Street and Greenside Place were both incorporated in the England and Wales and are principally engaged in hotel operations.

  As a result of the Acquisition, Gower Street and Greenside Place became wholly-owned subsidiaries of Glasshouse Hotel and indirect subsidiaries of the Company.

- On 24 November 2016, YTL Land and Property (UK) Ltd ("YTL Land & Property"), an indirect wholly-owned subsidiary of YTL Power International Berhad ("YTL Power"), acquired the entire issued share capital comprising 1 ordinary share of GBP1.00 in YTL Developments (UK) Limited ("YTL Developments") for GBP1.00.

  As a result, YTL Developments became an indirect wholly-owned subsidiary of YTL Power and the Company. YTL Developments was incorporated on 24 November 2016 in England & Wales and will be principally involved in construction.

- On 28 November 2016, Glasshouse Cayman incorporated a wholly-owned subsidiary known as Threadneedles Hotel Limited ("Threadneedles") in England and Wales with an issued share capital of GBP1.00 comprising 1 ordinary share of the nominal value of GBP1.00. Threadneedles will be principally engaged in investment holding.

- On 29 November 2016, YTL Land & Development Berhad ("YTL L&D"), a subsidiary of the Company announced the proposed acquisition of the remaining 30% equity interest in Sentul Raya Sdn. Bhd. ("SRSB") from KTMB (Sentul) Sdn Bhd and Keretapi Tanah Melayu Berhad for a total consideration of RM252,424,000 ("the Acquisition"). Bursa Securities had vide its letter dated 6 December 2016 approved YTL L&D's application for variation in complying with Paragraph 10.07(1)(b) of Bursa Securities Main Market Listing Requirements by way of shareholders' ratification via an Extraordinary General Meeting to be convened within three months from the completion of the Acquisition.

  The Acquisition was completed on 16 January 2017. Consequent thereto, SRSB has become a wholly owned subsidiary of YTL L&D and an indirect subsidiary of the Company.

- On 1 December 2016, Wessex Water Limited ("WWL"), an indirect wholly-owned subsidiary of YTL Power, acquired from Waterlevel Limited (formerly known as Albion Water Group Limited) fifty-one (51) B-ordinary shares of the nominal value of GBP0.01, representing 51% of the issued share capital of Albion Water Limited ("Albion") for GBP227,505.21 in cash. As a result, Albion became a subsidiary of WWL and an indirect subsidiary of YTL Power and the Company.

  Albion was incorporated on 14 September 1995 in England & Wales. It is a licensed water supplier, providing retail water, wastewater, drainage and wider environmental services.

- On 16 December 2016, YTL e-Solutions Berhad ("YTL e-Solutions") became a wholly-owned subsidiary of the Company following the completion of the compulsory acquisition of the remaining YTL e-Solutions' shares by the Company in accordance with Section 222(1) of the Capital Markets and Services Act, 2007.

- On 23 December 2016, YTL Land and Property acquired the entire issued share capital comprising 1 ordinary share of GBP1.00 in YTL Places Limited ("YTL Places") for GBP1.00.

  As a result, YTL Places became an indirect wholly-owned subsidiary of YTL Power and the Company. YTL Places was incorporated on 23 December 2016 in England & Wales and will be principally involved in development/construction.

- On 2 February 2017. Threadneedles Hotel Limited ("Threadneedles") acquired the entire issued and paid-up share capital of RW Threadneedles Street Limited ("RW Threadneedles") comprising 8,354,988 ordinary shares of GBP1.00 each for a cash consideration of GBP9,900,337, as adjusted pursuant to an agreement dated 30 December 2016 ("the Acquisition"). RW Threadneedles was incorporated in the England and Wales and are principally engaged in hotel operations.

  As a result of the Acquisition, RW Threadneedles became a wholly-owned subsidiary of Threadneedles and an indirect subsidiary of the Company.

- On 24 February 2017, Boom Time Strategies Sdn Bhd ("BTS"), an indirect wholly-owned subsidiary of YTL L&D, had on 24 February 2017, been struck-off from the register of the Companies Commission of Malaysia. Accordingly, BTS has ceased to be an indirect subsidiary of YTL L&D and the Company.

## A9. Changes in Contingent Liabilities or Contingent Assets

There were no significant changes in the contingent liabilities of the Group since the last financial year ended 30 June 2016.

## A10. Subsequent Events

Save for the following, there were no items, transactions or events of a material or unusual in nature during the period from the end of the quarter under review to the date of this report.

- On 5 April 2017, YTL Land Sdn Bhd, a wholly-owned subsidiary of the Company, disposed of all its shares held in YTL Majestic Hotel Sdn Bhd ("YTL Majestic"), comprising of 1,000,000 ordinary shares and representing the entire issued and paid-up share capital in YTL Majestic to YTLHP for a consideration of RM1,000,000.00. As a result, YTL Majestic became a wholly-owned subsidiary of YTLHP and remains an indirect subsidiary of the Company.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**Notes: - continued**

**Disclosure requirements per Part A of Appendix 9B of the Bursa Securities Main Market Listing Requirements**

## B1. Review of Performance

| | Individual Quarter | | Cumulative Quarter | |
|---|---|---|---|---|
| | **31.03.2017** | **31.03.2016** | **31.03.2017** | **31.03.2016** |
| | **RM'000** | **RM'000** | **RM'000** | **RM'000** |
| **Revenue** | | | | |
| Construction | 40,040 | 30,793 | 93,623 | 87,456 |
| Information technology & e-commerce related business | 561 | 715 | 2,813 | 2,951 |
| Cement Manufacturing & trading | 566,662 | 699,253 | 1,767,374 | 2,133,461 |
| Property investment & development | 352,227 | 252,904 | 889,094 | 741,552 |
| Management services & others | 121,685 | 180,794 | 277,768 | 435,281 |
| Hotels | 288,570 | 269,188 | 742,826 | 701,398 |
| Utilities | 2,346,627 | 2,184,098 | 7,057,099 | 7,902,431 |
| | 3,716,372 | 3,617,745 | 10,830,597 | 12,004,530 |
| | | | | |
| **Profit before taxation** | | | | |
| Construction | 10,810 | 10,960 | 31,610 | 11,271 |
| Information technology & e-commerce related business | 133 | 211 | 1,434 | 1,660 |
| Cement Manufacturing & trading | 28,873 | 149,517 | 200,241 | 433,227 |
| Property investment & development | 78,716 | 82,942 | 195,447 | 220,563 |
| Management services & others | 127,935 | 4,137 | 62,696 | (24,416) |
| Hotels | 50,938 | 34,784 | 99,179 | 60,001 |
| Utilities | 215,898 | 206,801 | 671,003 | 856,746 |
| | 513,303 | 489,352 | 1,261,610 | 1,559,052 |

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

For the current quarter under review, the Group recorded revenue and profit before taxation of RM3,716.4 million and RM513.3 million respectively, representing an increase of 2.7% and 4.9% respectively, when compared to the preceding year corresponding quarter.

For the nine months under review, the Group revenue and profit before taxation decreased to RM10,830.6 million and RM1,261.6 million respectively, representing a decrease of 9.8% and 19.1% respectively, when compared to the preceding year corresponding period.

Performance of the respective operating business segments for the financial quarter/period ended 31 March 2017 as compared to the preceding year corresponding financial quarter/ period are analysed as follows:

Construction
For the current quarter under review, the increase in revenue was principally due to higher revenue recognition of construction contracts whilst the marginal decrease in profit before taxation was mainly due to higher operating expenses incurred by a construction entity in Malaysia.

For the nine months under review, the improvements in revenue and profit before taxation were mainly due to higher revenue recognition of construction contracts and better contract margin recorded by a construction entity in Malaysia.

Information technology & e-commerce related business
Revenue and profit before taxation were lower during current quarter under review/period to date mainly due to lower income from software sales activities and maintenance services.

Cement Manufacturing & trading
For the current quarter under review/period to date, revenue and profit before taxation decreased primarily due to reduced sales volume resulting from lower demand of cement in the construction industry, competitive pricing and higher cost of production.

Property investment & development
For the current quarter under review, revenue increased attributable mainly to the better site progress from The Fennel project undertaken by Sentul Raya Sdn Bhd. The Dahlia and U-Thant Place projects undertaken by the subsidiaries of YTL Land & Development Berhad continued to contribute to the Group’s revenue.

The decline in profit before taxation was mainly due to higher unrealised loss on foreign exchange on Australian Dollar denominated term loan recorded by YTL Hospitality REIT.

For the nine months under review, the increase in revenue was mainly contributed by the Fennel project whilst the lower profit before taxation was mainly due to higher unrealised loss on foreign exchange as highlighted above.

<u>Management services & others</u>

For the current quarter under review/period to date, revenue decreased mainly due to lower interest income recorded by the YTL Power Group whilst profit before taxation increased mainly due to the absence of provision of liquidated ascertained damages recorded by a subsidiary, YTL Power Services Sdn Bhd, higher distribution income received from investment in a fund by a foreign subsidiary and unrealised gains on foreign exchange recorded by an offshore subsidiary.

<u>Hotels</u>

For the current quarter under review/period to date, revenue and profit before taxation increased mainly attributable to better performance of Niseko Village K.K., Magna Boundary Sdn Bhd and YTL Majestic Hotel Sdn Bhd and unrealised foreign exchange gain on intercompany balances following the strengthening of Ringgit Malaysia against Japanese Yen.

<u>Utilities</u>

For the current quarter under review, revenue and profit before taxation were higher mainly due to improved results of multi utilities division following the higher fuel price coupled with lower operating and interest expenses.

For the nine months under review, revenue and profit before taxation were lower due to the absence of revenue from power generation (contracted) division as a result of the completion of power purchase agreement on 30 September 2015 and the strengthening of Ringgit Malaysia against Great Britain Pound in water & sewerage division.

The utilities segment contributes to 65.2% and 53.2% of the Group’s revenue and profit before taxation, respectively.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

## B2. Comparison with Preceding Quarter

| | Quarter 31.03.2017 RM'000 | Quarter 31.12.2016 RM'000 |
|---|---|---|
| Revenue | 3,716,372 | 3,622,075 |
| Profit before taxation | 513,303 | 402,012 |
| Profit attributable to owners of the parent | 285,952 | 147,692 |

The increase in revenue and profit before taxation were primarily attributable to better performance of the Hotels and Management services & others segment.

## B3. Audit Report of the preceding financial year ended 30 June 2016

The Auditors' Report on the financial statements of the financial year ended 30 June 2016 did not contain any qualification.

## B4. Prospects

<u>Construction</u>
The construction segment is expected to achieve satisfactory performance for the financial year ending 30 June 2017 as the construction contracts relate mainly to the Group's property development and infrastructure works.

<u>Information technology & e-commerce related business</u>
The outlook for the segment's performance in the financial year ending 30 June 2017 should be satisfactory, given that a significant portion of its revenue is derived from relatively resilient spectrum sharing fee income.

<u>Cement manufacturing & trading</u>
The outlook for the cement industry remains highly competitive amongst industry players and the segment is expected to achieve satisfactory performance for the financial year ending 30 June 2017.

<u>Property investment & development</u>
This segment is expected to achieve satisfactory performance for the financial year ending 30 June 2017 through the property development activities undertaken by its subsidiaries and joint venture.

<u>Management services & others/Hotels</u>
Considering the current market condition, the performance of these two segments for the financial year ending 30 June 2017 is expected to remain satisfactory.

Utilities

The YTL Power Group has an 80% equity interest in P.T. 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 (Pesero), Indonesia's state-owned electric utility company, amended and restated in December 2015. The project is currently in the development stage and progress is underway towards achieving financial close.

The YTL Power Group also completed the increase in its equity interest in Attarat Power Company (APCO) to 45% (from 30% previously) upon the project achieving financial close on 16 March 2017. APCO 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 with the National Electric Power Company (NEPCO), the Jordan 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. The power station is under development and scheduled to commence operation in mid-2020.

On 20 April 2017, pursuant to negotiations with the Government, the Energy Commission (EC) issued a revised Letter of Award to YTL Power Generation Sdn. Bhd. (YTLPG) accepting YTLPG's bid for the supply of 585MW of capacity from the existing facility in Paka for a term of 3 years 10 months (an additional 12 months from the original 2 years and 10 months) commencing from the Commercial Operation Date of the project. Pursuant to the Letter of Award, YTLPG and Tenaga Nasional Berhad (Tenaga) entered into a Power Purchase Agreement (PPA) and a Land Lease Agreement both dated 9 May 2017. The Land Lease Agreement supersedes the existing land lease for Paka and is for a term of 5 years 10 months from the Commercial Operation Date which is scheduled to occur on 1 September 2017. On 22 May 2017, YTLPG and Petronas entered into the Gas Supply Agreement (GSA) for the supply of natural gas to the power station. The PPA and GSA are both subject to certain conditions precedent, including obtaining the necessary corporate authorisations and the approval of the EC to the terms of the PPA and GSA.

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, diversification beyond the core business into integrated multi-utilities supply and non-regulated ancillary businesses in steam sales, oil storage tank leasing, bunkering services and potable water sales.

As for Water & Sewerage division, Wessex Water which operates under a strict regulatory regime is confident of delivering its 2015-20 regulatory outperformance target by improving its business processes and will continue to provide customers with first-class affordable service.

The telecommunication division has successfully launched its nationwide 4G LTE services for mobile devices and becoming Malaysia's first voice over LTE (VoLTE) service provider. This business division will continuously be coming up with more competitive products to increase the subscriber base to generate higher revenue.

## B5. Profit Forecast

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

## B6. Profit for the period

| | **Current Quarter 31.03.2017 RM'000** | **Year To Date 31.03.2017 RM'000** |
|---|---|---|
| Profit for the period is stated after charging/(crediting): | | |
| Adjustment on fair value of investment properties | 452 | 39,625 |
| Allowance for impairment of inventories | 712 | 1,405 |
| Allowance for impairment of receivables – net of reversal | 26,573 | 87,111 |
| Amortisation of grants and contributions | (4,454) | (14,643) |
| Amortisation of other intangible assets | 15,668 | 55,576 |
| Depreciation of property, plant and equipment | 372,646 | 1,096,026 |
| Dividend income | (45,161) | (45,975) |
| Fair value changes of derivatives | 3,842 | (5,660) |
| Loss on foreign exchange | 48,504 | 86,210 |
| Gain on disposal of investments | (1,936) | (33,563) |
| Gain on disposal of property, plant and equipment | (7,103) | (13,941) |
| Interest expense | 327,859 | 949,785 |
| Interest income | (120,999) | (163,429) |

Other than the above items, there were no other investment income, write off of receivables, gain or loss on disposal of properties, impairment of assets and exceptional items for the current financial quarter and financial period-to-date.

## B7. Taxation

Taxation comprise the following:-

| | **Current Quarter 31.03.2017 RM'000** | **Year To Date 31.03.2017 RM'000** |
|---|---|---|
| In respect of current period | | |
| - Income tax | 93,445 | 299,906 |
| - Deferred tax | (19,332) | (49,597) |
| | 74,113 | 250,309 |

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

## B8. Corporate Developments

### (a) Corporate Proposals Announced and Pending Completion

As at the date of this report, being the latest practicable date, there are no corporate proposals announced and pending completion.

## B9. Group Borrowings and Debt Securities

The Group's borrowings and debts securities as at 31 March 2017 are as follows:-

| | Short term | | Long term | | |
|---|---|---|---|---|---|
| | **Bonds RM'000** | **Borrowings RM'000** | **Bonds RM'000** | **Borrowings RM'000** | **Total RM'000** |
| Secured | - | 1,388,831 | - | 5,865,018 | 7,253,849 |
| Unsecured | - | 6,314,957 | 17,301,958 | 9,593,984 | 33,210,899 |
| Total | - | 7,703,788 | 17,301,958 | 15,459,002 | 40,464,748 |

The above include borrowings denominated in foreign currencies as follows:-

| | |
|---|---|
| In Singapore Dollar ('000) | 2,213,740 |
| In US Dollar ('000) | 903,477 |
| In Sterling Pound ('000) | 2,027,991 |
| In Japanese Yen ('000) | 11,310,000 |
| In Thai Baht ('000) | 1,551,755 |

Save for the borrowings of RM266.0 million, US Dollar 257.6 million, Thai Baht 1.6 billion and Yen 11.3 billion by subsidiary companies of which corporate guarantees are provided by the Company, all other borrowings of subsidiary companies are on a non-recourse basis to the Company.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**B10. Derivatives Financial Instruments, Fair Value Changes of Financial Liabilities, Fair Value hierarchy and Realised and Unrealised Profits or Losses**

(a) Derivatives Financial Instruments

As at 31 March 2017, 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 | 1,018,373 | 965,074 |
| - 1 year to 3 years | 350,024 | 322,568 |
| **Currency forwards** | | |
| - Less than 1 year | 1,051,274 | 1,064,724 |
| - 1 year to 3 years | 440,519 | 449,139 |
| - More than 3 years | 895 | 877 |
| **Interest rate swap contracts** | | |
| - 1 year to 5 years | 888,169 | (14,241) |

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 interest rate swap contracts to manage its interest rate risk arising primarily from interest-bearing borrowings. Borrowings at floating rate expose the Group to fair value interest rates and the derivative financial instruments minimise the fluctuation of cash flow due to changes in the market interest rates.

The derivative financial instruments are stated at fair value based on banks' quotes. The fair value changes on the effective portion of the derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

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 2017 are as follows:

| **Type of financial liabilities** | **Basis of fair value measurement** | **Reason for the gains/(losses)** | **Fair value gains/(losses)** | |
|---|---|---|---|---|
| | | | **Current quarter 31.03.2017 RM'000** | **Current year to date 31.03.2017 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 in unfavourably against the Group | (21) | (5) |
| 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 in favour of/ (unfavourably against) the Group | 394 | (2,837) |
| | | Total | 373 | (2,842) |

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**Notes: - continued**

(c) Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

(a) Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

(c) Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the reporting date, the Group and the Company held the following financial instruments carried at fair value on the statement of financial position:-

| | **Level 1 RM'000** | **Level 2 RM'000** | **Total RM'000** |
|---|---|---|---|
| **31 March 2017** | | | |
| **Assets** | | | |
| Financial assets at fair value through profit and loss | | | |
| - Trading derivatives | - | 966 | 966 |
| Derivative used for hedging | - | 98,486 | 98,486 |
| Available-for-sale financial assets | 29,177 | - | 29,177 |
| Total assets | 29,177 | 99,452 | 128,629 |
| **Liabilities** | | | |
| Financial liabilities s at fair value through profit and loss | | | |
| - Trading derivatives | - | 5,620 | 5,620 |
| Derivative used for hedging | - | 177,364 | 177,364 |
| Total assets | - | 182,984 | 182,984 |

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

(d) Realised and Unrealised Profits or Losses

| | As at 31.03.2017 RM'000 | As at 30.06.2016 RM'000 |
|---|---|---|
| Retained earnings/(Accumulated losses) of the Company and its subsidiaries | | |
| - Realised | 15,876,625 | 17,206,906 |
| - Unrealised | 582,424 | (653,771) |
| | 16,459,049 | 16,553,135 |
| Total share of accumulated profit from associated companies and joint ventures | | |
| - Realised | 985,494 | 1,622,497 |
| - Unrealised | 66,049 | 66,049 |
| | 1,051,543 | 1,688,546 |
| Less: consolidation adjustments | (7,184,718) | (7,017,844) |
| | 10,325,874 | 11,223,837 |

## B11. Material litigation

Save for the following, there were no changes to the material litigations since the date of the last audited financial statements of financial position:

During the previous financial year, 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 customers have filed their defence and counterclaims, and the matter is now awaiting trial.

Based on the legal advice sought by the board, the subsidiary has strong prospects of succeeding in its claim and the customers are highly unlikely to succeed in their counterclaims. Thus, no provision has been made for potential losses that may arise from the counterclaims.

## 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 net profit attributable to owners of the parent for the financial quarter by the weighted average number of ordinary shares in issue during the financial quarter as set out below:-

| | **Current Year Quarter 31.03.2017** | **Preceding Year Corresponding Quarter 31.03.2016** |
|---|---|---|
| Profit attributable to owners of the parent (RM'000) | 285,952 | 229,878 |
| *Weighted average number of ordinary shares ('000)* | | |
| Weighted average number of ordinary shares ('000) | 10,793,991 | 10,793,991 |
| *Less:* Shares repurchased | (375,347) | (375,347) |
| | 10,418,644 | 10,418,644 |
| Basic earnings per share (sen) | 2.74 | 2.21 |

## B13. Earnings Per Share

### ii) Diluted earnings per share

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

| | **Current Year Quarter 31.03.2017** | **Preceding Year Corresponding Quarter 31.03.2016** |
|---|---|---|
| Profit attributable to owners of the parent (RM'000) | 285,952 | 229,878 |
| *Weighted average number of ordinary shares - diluted ('000)* | | |
| Weighted average number of ordinary shares-basic | 10,418,644 | 10,418,644 |
| Effect of unexercised employees share option scheme ("ESOS") | - | - |
| | 10,418,644 | 10,418,644 |
| Diluted earnings per share (sen) | 2.74 | 2.21 |

*Total cash expected to be received in the event of an exercise of all outstanding ESOS options is RM227.430 million (2016: RM234.063 million). Accordingly, the Net Asset ("NA") on a proforma basis will increase by RM227.430 million (2016: RM234.063 million) resulting in an increase in NA per share of RM0.02 (2016: RM0.02). 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: 25 May 2017