

**YTL LAND & DEVELOPMENT BERHAD**

Company No. 1116-M  
Incorporated in Malaysia

**Interim Financial Report  
31 December 2009**

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**INTERIM FINANCIAL REPORT**

Interim financial report on consolidated result for the financial period ended 31 December 2009.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD	PRECEDING PERIOD	CURRENT PERIOD	PRECEDING PERIOD
	QUARTER	CORRESPONDING QUARTER	PERIOD TO DATE	PERIOD TO DATE
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>	84,214	58,887	181,369	123,246
<b>COST OF SALES</b>	(76,975)	(54,438)	(163,323)	(112,336)
<b>GROSS PROFIT</b>	7,239	4,449	18,046	10,910
<b>OTHER OPERATING INCOME</b>	2,868	741	7,633	3,619
<b>OTHER OPERATING EXPENSES</b>	(3,419)	(4,207)	(9,023)	(11,111)
<b>PROFIT FROM OPERATIONS</b>	6,688	983	16,656	3,418
<b>FINANCE COSTS</b>	(204)	(291)	(407)	(615)
<b>PROFIT BEFORE TAXATION</b>	6,484	692	16,249	2,803
<b>TAXATION</b>	(2,718)	(261)	(5,046)	(1,223)
<b>PROFIT FOR THE PERIOD</b>	3,766	431	11,203	1,580
<b>ATTRIBUTABLE TO:</b>				
<b>SHAREHOLDERS</b>	3,708	401	11,020	1,614
<b>MINORITY INTEREST</b>	58	30	183	(34)
<b>PROFIT FOR THE PERIOD</b>	3,766	431	11,203	1,580
<b>EARNINGS PER 50 SEN SHARE</b>				
<b>Basic (per 50 sen share)(sen):-</b>				
• Before mandatory conversion of ICPSs	0.47	0.05	1.41	0.21
• After mandatory conversion of ICPSs	0.45	0.05	1.33	0.19
<b>Diluted (per 50 sen share) (sen)</b>	0.45	0.05	1.33	0.19

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30<sup>th</sup> June 2009 and the accompanying explanatory notes attached to the interim financial statements

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>UNAUDITED AS AT 31.12.2009 RM'000</b>	<b>AUDITED AS AT 30.06.2009 RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	34,816	35,031
Investment properties	28,623	28,623
Land held for property development	581,981	579,563
Prepaid land lease payment	42	43
Goodwill on consolidation	12,183	12,183
Deferred tax assets	4,405	4,458
	<u>662,050</u>	<u>659,901</u>
<b>CURRENT ASSETS</b>		
Inventories	48,434	59,140
Property development expenditure	26,887	40,320
Trade receivables	69,547	61,991
Other receivables	10,595	11,746
Amount due from immediate holding company	-	1
Amount due from related companies	2,317	6,217
Fixed deposits with licensed banks	123,387	111,435
Cash and bank balances	9,149	3,702
	<u>290,316</u>	<u>294,552</u>
<b>TOTAL ASSETS</b>	<u><u>952,366</u></u>	<u><u>954,453</u></u>
<b>EQUITY</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		
<b>SHARE CAPITAL</b>		
Ordinary shares	400,122	398,779
Irredeemable Convertible Preference Shares	85,561	90,796
<b>RESERVES</b>		
Share premium	207,289	203,397
Treasury share, at cost	(22,200)	(22,200)
Accumulated losses	(130,558)	(141,578)
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	<u>540,214</u>	<u>529,194</u>
<b>MINORITY INTEREST</b>	4,776	4,593
<b>TOTAL EQUITY</b>	<u><u>544,990</u></u>	<u><u>533,787</u></u>

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED BALANCE SHEETS - continued**

	<b>UNAUDITED AS AT 31.12.2009 RM'000</b>	<b>AUDITED AS AT 30.06.2009 RM'000</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowing	179,714	179,714
Long term liabilities	67,696	67,696
Hire purchase creditors	182	182
Deferred tax liabilities	46,240	48,954
	-----	-----
	293,832	296,546
	-----	-----
<b>CURRENT LIABILITIES</b>		
Provisions	10,250	10,633
Trade payables	9,915	9,396
Other payables	13,306	18,778
Bank borrowing	14,286	14,286
Hire purchase creditors	110	233
Amount due to holding companies	432	552
Amount due to related companies	58,112	67,849
Current tax payables	7,133	2,393
	-----	-----
	113,544	124,120
	-----	-----
<b>TOTAL LIABILITIES</b>	<b>407,376</b>	<b>420,666</b>
	-----	-----
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>952,366</b>	<b>954,453</b>
	=====	=====
 Net assets per 50 sen share (RM)	 0.69	 0.68
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30<sup>th</sup> June 2009 and the accompanying explanatory notes attached to the interim financial statements

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009**

	<b>6 MONTHS ENDED</b>	
	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Net cash generated from operating activities	19,113	7,202
	=====	=====
Net cash (used in)/from investing activities	(1,591)	2,379
	=====	=====
Net cash used in financing activities	(123)	(151)
	=====	=====
Net increase in cash and cash equivalents	17,399	9,430
Cash and cash equivalents at beginning of the year	115,137	115,978
	-----	-----
Cash and cash equivalent at end of the period (note a)	132,536	125,408
	=====	=====

**Note (a)**

Cash and cash equivalent

	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits with licensed banks	123,387	119,414
Cash and bank balances	9,149	5,994
	-----	-----
Cash and cash equivalent at end of the period	132,536	125,408
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30<sup>th</sup> June 2009 and the accompanying explanatory notes attached to the interim financial statements

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

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009**

	<----- Attributable to equity holders of the company ----->							
	<---Share Capital--->							
	Ordinary Shares RM'000	ICPS RM'000	Share Premium RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000	Minority Interest RM'000	Grand Total RM'000
<b>6 months ended 31 December 2009</b>								
As at 01 July 2009	398,779	90,796	203,397	(22,200)	(141,578)	529,194	4,593	533,787
Profit for the period	-	-	-	-	11,020	11,020	183	11,203
Total recognised income and expenses for the period	-	-	-	-	11,020	11,020	183	11,203
Conversion of ICPS to Ordinary shares	1,343	(5,235)	3,892	-	-	-	-	-
As at 31 December 2009	400,122	85,561	207,289	(22,200)	(130,558)	540,214	4,776	544,990
<b>6 months ended 31 December 2008</b>								
As at 01 July 2008	398,279	92,747	201,946	(22,200)	(145,184)	525,588	7,399	532,987
Profit for the period	-	-	-	-	1,614	1,614	(34)	1,580
Total recognised income and expenses for the period	-	-	-	-	1,614	1,614	(34)	1,580
Conversion of ICPS to Ordinary shares	297	(1,159)	862	-	-	-	-	-
As at 31 December 2008	398,576	91,588	202,808	(22,200)	(143,570)	527,202	7,365	534,567

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

## **INTERIM FINANCIAL REPORT**

**Notes :**

### **Disclosure requirement per FRS 134 – paragraph 16**

#### **A1. Accounting Policies**

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

The Condensed Financial Statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 30 June 2009.

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

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

The following notes explain the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2009.

#### **A2. Seasonality or Cyclicity of Operations**

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

#### **A3. Exceptional or Unusual Items**

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

#### **A4. Changes in estimates of amounts reported**

There was no change in estimates of amounts reported in prior interim period or financial year that have had material effects in the current quarter and financial year to date results.



**INTERIM FINANCIAL REPORT**

**Notes : - continued**

**A5. Changes in Debt and Equity Securities**

Save as disclosed below, there was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter:

During the financial quarter, the share capital of the Company increased from RM398,907,490 to RM400,121,907 as a result of the conversion of 9,472,466 Irredeemable Convertible Preference Shares (“ICPS”) of RM0.50 each into 2,428,834 new ordinary shares of RM0.50 each based on a conversion ratio of one (1) new ordinary share of RM0.50 each for every 3.90 of ICPS of RM0.50 each.

During the current financial year to date, a total of 2,684,089 new ordinary shares of RM0.50 each were issued as a result of the conversion of 10,467,966 ICPS.

The total number of ICPS outstanding as at 31 December 2009 was 171,121,986 of RM0.50 each.

The outstanding debts are disclosed in Note B9.

**A6. Dividend Paid**

There was no dividend paid during the current financial quarter ended 31 December 2009.

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**INTERIM FINANCIAL REPORT**

Notes : - continued

**A7. Segment Reporting**

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

	Construction* RM'000	Property Development RM'000	Total RM'000
<b>External revenue</b>	59,243	122,126	181,369
	-----	-----	-----
<b>Segment results</b>			
Profit from Operations	1,088	15,568	16,656
	-----	-----	
<b>Reconciliation of segment profits to profit before taxation</b>			
Finance cost			(407)
			-----
Profit before taxation			16,249
			=====

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

The Group's segmental report for the period ended 31 December 2008 is as follows:-

	Construction* RM'000	Property Development RM'000	Total RM'000
<b>External revenue</b>	88,063	35,183	123,246
	-----	-----	-----
<b>Segment results</b>			
Profit from Operations	1,617	1,801	3,418
	-----	-----	
<b>Reconciliation of segment profits to consolidated profit before taxation</b>			
Finance cost			(615)
			-----
Profit before taxation			2,803
			=====

**INTERIM FINANCIAL REPORT**

**Notes:- continued**

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

Save for the following, there was no item, transaction or event of a material or unusual in nature subsequent to the end of the interim period :-

On 17 December 2009, the Company announced a proposed acquisition of 50% equity interest in PDC Heritage Hotel Sdn. Bhd. ("PDCHH") from YTL Hotels & Properties Sdn. Bhd ("YTL Hotels") for a cash consideration of RM14,646,585. The proposed acquisition was completed on 19 January 2010. Consequent thereto, PDCHH has become an associate company of the Company.

**A9. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current financial period ended 31 December 2009.

**A10. Changes in Contingent Liabilities**

There was no significant change in the contingent liabilities of the Group since the last annual balance sheet as at 30 June 2009. The corporate guarantees given to banks for credit facilities granted at the end of current financial quarter are as follows:-

	<b>Total Amount Guaranteed RM'000</b>	<b>Amount Utilised RM'000</b>
Term Loan	204,000	194,000
Guarantee Facility	55,182	45,684
	-----	-----
	259,182	239,684
	=====	=====

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## **INTERIM FINANCIAL REPORT**

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

#### **B1. Review of Performance**

The Group revenue and profit before taxation for the current financial quarter ended 31 December 2009 increased to RM84.214 million and RM6.484 million from RM58.887 million and RM0.692 million respectively reported in the corresponding financial quarter ended 31 December 2008. This represented an increase of 43.01% and 836.99% in revenue and profit before taxation respectively. The increase in revenue and profit before taxation was mainly contributed by overwhelming sales of completed units recorded for the Waterville and Parkville under the Lake Edge project and also the higher progress recognition from The Centrio under the Pantai Hill Park project.

#### **B2. Comparison with Preceding Quarter**

	<b>Current Quarter 31.12.2009 RM'000</b>	<b>Preceding Quarter 30.09.2009 RM'000</b>
Revenue	84,214	97,155
Profit before taxation	6,484	9,765
Profit after taxation and minority interest	3,708	7,312

The Group's revenue and profit before taxation for the current financial quarter ended 31 December 2009 decreased to RM84.214 million and RM6.484 million from RM97.155 million and RM9.765 million respectively reported in the preceding financial quarter ended 30 September 2009, representing a decrease of 13.32% and 33.60% in revenue and profit before taxation respectively. This was mainly contributed by lower progress recognition in revenue and profits from both property development and construction segment of the Group.

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

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

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**INTERIM FINANCIAL REPORT**

**Notes : continued**

**B4. Prospects**

The Group, after considering the recent sales recorded, is expected to achieve satisfactory performance for financial year ending 2010 .

**B5. Profit Forecast**

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

**B6. Taxation**

Tax comprises the following:-

	<b>Current Period Quarter 31.12.2009 RM'000</b>	<b>Current Year To Date 31.12.2009 RM'000</b>
Tax charged for the period	4,140	7,548
Under provision of taxation in prior year	212	212
Deferred tax	(1,634)	(2,714)
	-----	-----
	2,718	5,046
	=====	=====

The Group's provision for taxation for the financial period ended 31 December 2009 reflected a higher effective tax rate compared to the statutory tax rate, mainly due to non tax deductibility of certain expenses and losses incurred by the Company and certain subsidiaries.

**B7. Sales of Unquoted Investment and /or Properties**

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

**B8. Quoted Investment**

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

**INTERIM FINANCIAL REPORT**

**Notes : continued**

**B9. Corporate Development**

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

**B10. Group Borrowings and Debt Securities**

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

	<b>Short tem RM'000</b>	<b>Long term RM'000</b>	<b>Total RM'000</b>
Term loan – Unsecured	14,286	179,714	194,000
	=====	=====	=====

**B11. Off Balance Sheet Financial Instruments**

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

**B12. Material litigation**

There are claims made by third parties against Sentul Raya Sdn Bhd but the Directors of the Company are of the opinion that the claims will not materially affect the future position or business of the Group.

**B13. Dividend**

No dividend has been declared for the current financial quarter.

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**INTERIM FINANCIAL REPORT**

Notes : continued

**B14. Earnings Per Share**

- **Basic/diluted earnings per share**

The basic/diluted earnings per share of the Group has been computed by dividing the net profit for the financial quarter by the weighted average number of ordinary shares in issue during the financial quarter, excluding treasury shares held by the Company, assuming full conversion of 171,121,986 ICPS at a conversion of one (1) new ordinary share of RM0.50 each for every RM3.90 nominal value of ICPS of 50 sen nominal value.

	<b>Current Quarter 31.12.2009</b>	<b>Preceding Year Corresponding Quarter 31.12.2008</b>
Net profit for the quarter (RM'000)	3,708 =====	401 =====
Weighted average number of ordinary shares of RM0.50 each ('000)	783,191	781,916
Assumed full conversion of ICPSs ('000)	43,877 -----	46,968 -----
Adjusted weighted average of ordinary shares ('000)	827,068 =====	828,884 =====
<b>Basic (per 50 sen share)(sen):-</b>		
• Before mandatory conversion of ICPSs	0.47 =====	0.05 =====
• After mandatory conversion of ICPSs	0.45 =====	0.05 =====
<b>Diluted (per 50 sen share) (sen)</b>	0.45 =====	0.05 =====

By Order of the Board  
HO SAY KENG  
Secretary

Kuala Lumpur  
Dated : 25 February 2010