

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the financial period ended 30 September 2008.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30.09.2008 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 30.09.2007 RM'000	CURRENT PERIOD TO DATE 30.09.2008 RM'000	PRECEDING PERIOD TO DATE 30.09.2007 RM'000
REVENUE	64,359	85,250	64,359	85,250
COST OF SALES	(57,898)	(77,324)	(57,898)	(77,324)
GROSS PROFIT	6,461	7,926	6,461	7,926
OTHER OPERATING INCOME	2,878	1,553	2,878	1,553
OTHER OPERATING EXPENSES	(6,904)	(5,371)	(6,904)	(5,371)
PROFIT FROM OPERATIONS	2,435	4,108	2,435	4,108
FINANCE COSTS	(324)	(281)	(324)	(281)
PROFIT BEFORE TAXATION	2,111	3,827	2,111	3,827
TAXATION	(962)	(1,002)	(962)	(1,002)
PROFIT FOR THE PERIOD	1,149	2,825	1,149	2,825
ATTRIBUTABLE TO:				
SHAREHOLDERS	1,214	2,091	1,214	2,091
MINORITY INTEREST	(65)	734	(65)	734
PROFIT FOR THE PERIOD	1,149	2,825	1,149	2,825
EARNINGS PER 50 SEN SHARE				
Basic (per 50 sen share)(sen):-				
• Before mandatory conversion of ICPSs	0.16	0.55	0.16	0.55
• After mandatory conversion of ICPSs	0.15	0.25	0.15	0.25
Diluted (per 50 sen share) (sen)	0.15	0.25	0.15	0.25

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2008 and the accompanying explanatory notes attached to the interim financial statements

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

	UNAUDITED AS AT 30.09.2008 RM'000	AUDITED AS AT 30.06.2008 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	35,342	35,467
Investment properties	28,623	28,623
Land held for property development	485,385	483,821
Prepaid land lease payment	46	47
Goodwill on consolidation	12,183	12,183
Deferred tax assets	114	114
	<u>561,693</u>	<u>560,255</u>
CURRENT ASSETS		
Inventories	67,730	55,695
Property development expenditure	111,067	130,684
Trade receivables	54,264	52,483
Other receivables	13,442	13,914
Amount due from related companies	2,971	3,130
Fixed deposits with licensed banks	116,165	112,522
Cash and bank balances	6,522	3,456
	<u>372,161</u>	<u>371,884</u>
TOTAL ASSETS	<u><u>933,854</u></u>	<u><u>932,139</u></u>
EQUITY		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
SHARE CAPITAL		
Ordinary shares	398,568	398,279
ICPS	91,621	92,747
RESERVES		
Share premium	202,783	201,946
Treasury share, at cost	(22,200)	(22,200)
Accumulated losses	(143,970)	(145,184)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	<u>526,802</u>	<u>525,588</u>
MINORITY INTEREST	7,334	7,399
TOTAL EQUITY	<u><u>534,136</u></u>	<u><u>532,987</u></u>

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CONDENSED CONSOLIDATED BALANCE SHEETS - continued

	UNAUDITED AS AT 30.09.2008 RM'000	AUDITED AS AT 30.06.2008 RM'000
LIABILITIES		
NON-CURRENT LIABILITIES		
Bank borrowing	194,000	194,000
Long term liabilities	67,696	67,696
Hire purchase creditors	298	298
Deferred tax liabilities	56,366	56,556
	-----	-----
	318,360	318,550
	-----	-----
CURRENT LIABILITIES		
Provisions	10,526	10,526
Trade payables	14,468	15,430
Other payables	12,730	12,824
Hire purchase creditors	134	224
Amount due to holding companies	433	657
Amount due to related companies	41,906	38,933
Current tax payables	1,161	2,008
	-----	-----
	81,358	80,602
	-----	-----
TOTAL LIABILITIES	399,718	399,152
	-----	-----
TOTAL EQUITY AND LIABILITIES	933,854	932,139
	=====	=====
 Net assets per 50 sen share (RM)	 0.67	 0.67
	=====	=====

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30th June 2008 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2008**

	3 MONTHS ENDED	
	30.09.2008	30.09.2007
	RM'000	RM'000
Net cash generated from operating activities	7,769	20,682
	=====	=====
Net cash used in investing activities	(970)	(1,734)
	=====	=====
Net cash used in financing activities	(90)	(5,170)
	=====	=====
Net increase in cash and cash equivalents	6,709	13,778
Cash and cash equivalents at beginning of the year	115,978	121,937
	-----	-----
Cash and cash equivalent at end of the period (note a)	122,687	135,715
	=====	=====

Note (a)

Cash and cash equivalent

	30.09.2008	30.09.2007
	RM'000	RM'000
Fixed deposits with licensed banks	116,165	125,623
Cash and bank balances	6,522	10,092
	-----	-----
Cash and cash equivalent at end of the period	122,687	135,715
	=====	=====

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2008 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2008**

	<----- Attributable to equity holders of the company ----->							
	<----Share Capital---->		Distributable	Distributable	Accumulated	Minority	Grand	
	Ordinary	ICPS	Share	Treasury	Losses	Interest	Total	Total
	Shares	RM'000	Premium	Shares	RM'000	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2008								
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	-	-	-	-	1,214	1,214	(65)	1,149
Total recognised income and expenses for the period	-	-	-	-	1,214	1,214	(65)	1,149
Conversion of ICPS to Ordinary shares	289	(1,126)	837	-	-	-	-	-
As at 30 September 2008	398,568	91,621	202,783	(22,200)	(143,970)	526,802	7,334	534,136
3 months ended 30 September 2007								
As at 01 July 2007	195,471	374,287	123,214	(16,797)	(155,506)	520,669	4,557	525,226
Profit for the period	-	-	-	-	2,091	2,091	734	2,825
Total recognised income and expenses for the period	-	-	-	-	2,091	2,091	734	2,825
Conversion of ICPS to Ordinary shares	2,317	(9,036)	6,719	-	-	-	-	-
Share repurchased	-	-	-	(4,939)	-	(4,939)	-	(4,939)
As at 30 September 2007	197,788	365,251	129,933	(21,736)	(153,415)	517,821	5,291	523,112

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30th June 2008 and the accompanying explanatory notes attached to the interim financial statements

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Notes :

Disclosure requirement per FRS 134 – paragraph 16

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with FRS134 “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 2008.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest audited annual financial statements.

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 2008.

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

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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 period ended 30 September 2008, the share capital of the Company increased from RM398,279,587 to RM398,568,243 as a result of the conversion of 2,251,520 Irredeemable Convertible Preference Shares ("ICPS") of RM0.50 each into 577,312 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 quarter to date, there was no additional issuance of ICPS. The total number of ICPS outstanding as at 30 September 2008 was 183,240,590 of RM0.50 each.

The outstanding debts are disclosed in Note B9.

A6. Dividend

There was no dividend paid during the current financial quarter ended 30 September 2008.

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INTERIM FINANCIAL REPORT

Notes : - continued

A7. Segment Reporting

The Group's segmental report for the period ended 30 September 2008 is as follows:-

	Construction* RM'000	Property Development RM'000	Total RM'000
Revenue	49,579	14,780	64,359
Results			
Profit from Operations	910	1,525	2,435
Finance cost			(324)
Profit before taxation			2,111
Taxation			(962)
Profit for the period			1,149

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

The Group's segmental report for the period ended 30 September 2007 is as follows:-

	Construction* RM'000	Property Development RM'000	Total RM'000
Revenue	39,161	46,089	85,250
Results			
Profit from Operations	718	3,390	4,108
Finance cost			(281)
Profit before taxation			3,827
Taxation			(1,002)
Profit for the period			2,825

INTERIM FINANCIAL REPORT

Notes:- continued

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

There was no item, transaction or event of a material or unusual in nature subsequent to the end of the interim period.

A9. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial period ended 30 September 2008.

A10. Changes in Contingent Liabilities

There was no change in the contingent liabilities of the Group since the last annual balance sheet as at 30 June 2008. The corporate guarantees given to banks for credit facilities granted at the end of current financial quarter are as follows:-

	Total Amount Guaranteed RM'000	Amount Utilised RM'000
Term Loan	204,000	194,000
Guarantee Facility	59,978	45,577
	-----	-----
	263,978	239,577
	=====	=====

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

B1. Review of Performance

The Group revenue and profit before taxation for the current financial period ended 30 September 2008 decreased to RM64.359 million and RM2.111 million from RM85.250 million and RM3.827 million respectively reported in the corresponding financial period ended 30 September 2007. This represented a decrease of 24.51% and 44.84% in revenue and profit before taxation respectively. The decrease in revenue and profit before taxation was mainly due to the lower revenue and profit contribution from the property development segment of the Group.

B2. Comparison with Preceding Quarter

	Current Quarter 30.09.2008 RM'000	Preceding Quarter 30.06.2008 RM'000
Revenue	64,359	85,193
Profit before taxation	2,111	1,531
Profit after taxation and minority interest	1,214	2,291

The Group revenue for the current financial quarter ended 30 September 2008 decreased to RM64.359 million from RM85.193 million reported in the preceding financial quarter ended 30 June 2008, representing a decrease of 24.45% in revenue, whilst the Group profit before taxation for the current financial quarter ended 30 September 2008 increased to RM2.111 million from RM1.531 million reported in the preceding financial quarter ended 30 June 2008, representing an increase of 37.88% in profit before taxation. The decrease in Group revenue was mainly attributed to lower progress recognition in revenue from both property development and construction segment of the Group, whilst the increase in profit before taxation was mainly contributed by higher other operating income receivable.

B3. Audit Report of preceding financial year ended 30 June 2008

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

B4. Prospects

In view of the slow down in economy, the Group expects the property market in Malaysia to soften. However, the Group is taking appropriate measures to address the challenges to maintain a satisfactory performance for the current financial year ending 30 June 2009.

B5. Profit Forecast

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

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Notes : continued

B6. Taxation

Tax comprises the following:-

	Current Period Quarter 30.09.2008 RM'000	Current Year To Date 30.09.2008 RM'000
Tax charged for the period	1,151	1,151
Deferred tax	(189)	(189)
	-----	-----
	962	962
	=====	=====

The Group's provision for taxation for the financial period ended 30 September 2008 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.

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:

	Long term RM'000	Total RM'000
Term loan – Unsecured	194,000	194,000
	=====	=====

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Notes : continued

B11. Off Balance Sheet Financial Instruments

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

B12. Material litigation

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

B13. Dividend

No dividend has been declared for the current financial quarter.

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Notes : continued

B14. Earnings Per Share

- **Basic/diluted earnings per share**

The basic/diluted earnings per share of the Group has been computed by dividing the net profit for the financial quarter by the weighted average number of ordinary shares in issue during the financial quarter, excluding treasury shares held by the Company, assuming full conversion of 183,240,590 ICPS in issue at the end of the financial quarter at a conversion of one (1) new ordinary share of RM0.50 each for every RM3.90 nominal value of ICPS of 50 sen nominal value.

	Current Quarter 30.09.2008	Preceding Year Corresponding Quarter 30.09.2007
Net profit for the quarter (RM'000)	1,214 =====	2,091 =====
Weighted average number of ordinary shares of RM0.50 each ('000)	781,853	379,409
Assumed full conversion of ICPSs ('000)	46,985 -----	448,545 -----
Adjusted weighted average of ordinary shares ('000)	828,838 =====	827,954 =====
Basic (per 50 sen share)(sen):-		
• Before mandatory conversion of ICPSs	0.16 =====	0.55 =====
• After mandatory conversion of ICPSs	0.15 =====	0.25 =====
Diluted (per 50 sen share) (sen)	0.15 =====	0.25 =====

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 20 November 2008