

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

Interim Financial Report
30 September 2015

YTL LAND & DEVELOPMENT BERHAD

Company No. 1116-M
Incorporated in Malaysia

**Interim Financial Report
30 September 2015**

	Page No.
Condensed Consolidated Income Statement	1
Condensed Consolidated Statement of Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3-4
Condensed Consolidated Statement of Changes in Equity	5-6
Condensed Consolidated Statement of Cash Flows	7-8
Notes to the Interim Financial Report	9-16

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 2015.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.9.2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.9.2014 RM'000	3 MONTHS ENDED	
			30.9.2015 RM'000	30.9.2014 RM'000
REVENUE	29,557	27,314	29,557	27,314
COST OF SALES	(20,104)	(18,814)	(20,104)	(18,814)
GROSS PROFIT	9,453	8,500	9,453	8,500
OTHER OPERATING INCOME	17,676	9,806	17,676	9,806
OTHER OPERATING EXPENSES	(12,353)	(10,431)	(12,353)	(10,431)
PROFIT FROM OPERATIONS	14,776	7,875	14,776	7,875
FINANCE COSTS	(3,216)	(2,478)	(3,216)	(2,478)
SHARE OF RESULTS OF A JOINT VENTURE	7,032	(25)	7,032	(25)
PROFIT BEFORE TAXATION	18,592	5,372	18,592	5,372
TAXATION	(1,337)	(1,245)	(1,337)	(1,245)
PROFIT FOR THE PERIOD	17,255	4,127	17,255	4,127
ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	16,268	3,573	16,268	3,573
NON-CONTROLLING INTERESTS	987	554	987	554
PROFIT FOR THE PERIOD	17,255	4,127	17,255	4,127
EARNINGS PER 50 SEN SHARE				
Basic/diluted (sen)	1.55	0.50	1.55	0.50

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2015 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 COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.9.2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.9.2014 RM'000	3 MONTHS ENDED	
			30.9.2015 RM'000	30.9.2014 RM'000
PROFIT FOR THE PERIOD	17,255	4,127	17,255	4,127
OTHER COMPREHENSIVE INCOME/(LOSS) TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS:				
FOREIGN CURRENCY TRANSLATION	23,997	(16)	23,997	(16)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	23,997	(16)	23,997	(16)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	41,252	4,111	41,252	4,111
ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	40,265	3,557	40,265	3,557
NON-CONTROLLING INTERESTS	987	554	987	554
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	41,252	4,111	41,252	4,111

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2015 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 FINANCIAL POSITION

	UNAUDITED	AUDITED
	AS AT	AS AT
	30.9.2015	30.6.2015
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	37,366	37,146
Investment in a joint venture	36,214	29,182
Investment property	36,300	36,300
Land held for property development	774,821	773,049
Goodwill on consolidation	41,841	39,158
Deferred tax assets	3,456	3,456
Trade and other receivables	755	755
	<u>930,753</u>	<u>919,046</u>
Current Assets		
Inventories	66,929	67,844
Property development expenditure	2,089,473	1,863,900
Trade and other receivables	38,027	47,267
Other current assets	35,571	37,847
Income tax assets	7,196	5,924
Goods and services tax recoverable	17	13
Amount due from ultimate holding company	6	-
Amount due from related companies	2,262	3,214
Amount due from a joint venture	3,454	18,546
Deposits with licensed banks	32,487	14,732
Cash and bank balances	15,765	16,822
	<u>2,291,187</u>	<u>2,076,109</u>
TOTAL ASSETS	<u>3,221,940</u>	<u>2,995,155</u>
EQUITY		
Share capital	422,172	422,172
Share premium	177,471	177,471
Treasury shares, at cost	(22,202)	(22,202)
Retained earnings	101,725	85,457
Equity component of ICULS	354,969	354,969
Foreign currency translation reserve	52,602	28,605
	<u>1,086,737</u>	<u>1,046,472</u>
Equity attributable to owners of the parent	1,086,737	1,046,472
Non-controlling interests	61,212	60,225
	<u>1,147,949</u>	<u>1,106,697</u>
TOTAL EQUITY	<u>1,147,949</u>	<u>1,106,697</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2015 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 FINANCIAL POSITION - continued

	UNAUDITED	AUDITED
	AS AT	AS AT
	30.9.2015	30.6.2015
	RM'000	RM'000
LIABILITIES		
Non-current Liabilities		
Loans and borrowings	1,537,300	1,396,240
Other non-current liability	67,696	67,696
Deferred tax liabilities	53,857	54,117
	<u>1,658,853</u>	<u>1,518,053</u>
Current Liabilities		
Trade and other payables	17,417	24,247
Other current liabilities	11,386	10,923
Loans and borrowings	262,862	218,612
Amount due to immediate holding company	1,229	1,322
Amount due to related companies	121,372	113,476
Income tax payable	697	1,111
Goods and services tax payable	175	714
	<u>415,138</u>	<u>370,405</u>
TOTAL LIABILITIES	<u>2,073,991</u>	<u>1,888,458</u>
TOTAL EQUITY AND LIABILITIES	<u>3,221,940</u>	<u>2,995,155</u>
Net assets per 50 sen share (RM)	<u>1.29</u>	<u>1.26</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2015 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 30 SEPTEMBER 2015**

	<----- Attributable to owners of the parent ----->								
	Ordinary Shares RM'000	Share Premium RM'000	Treasury Shares RM'000	Retained earnings RM'000	Equity Component of ICULS RM'000	Foreign Currency Translation Reserve RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
As at 1 July 2015	422,172	177,471	(22,202)	85,457	354,969	28,605	1,046,472	60,225	1,106,697
Profit for the period	-	-	-	16,268	-	-	16,268	987	17,255
Other comprehensive income for the period	-	-	-	-	-	23,997	23,997	-	23,997
Total comprehensive income for the period	-	-	-	16,268	-	23,997	40,265	987	41,252
Purchase of treasury shares	-	-	*	-	-	-	-	-	-
As at 30 September 2015	422,172	177,471	(22,202)	101,725	354,969	52,602	1,086,737	61,212	1,147,949

* Less than RM1,000

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 2015 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 30 SEPTEMBER 2014**

	<----- Attributable to owners of the parent ----->								
	Ordinary Shares RM'000	Share Premium RM'000	Treasury Shares RM'000	Retained earnings RM'000	Equity Component of ICULS RM'000	Foreign Currency Translation Reserve RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
As at 1 July 2014	422,172	177,471	(22,200)	64,788	354,969	9,798	1,006,998	48,055	1,055,053
Profit for the period	-	-	-	3,573	-	-	3,573	554	4,127
Other comprehensive income for the period	-	-	-	-	-	(16)	(16)	-	(16)
Total comprehensive income for the period	-	-	-	3,573	-	(16)	3,557	554	4,111
Purchase of treasury shares	-	-	(1)	-	-	-	(1)	-	(1)
As at 30 September 2014	422,172	177,471	(22,201)	68,361	354,969	9,782	1,010,554	48,609	1,059,163

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 2015 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 CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

	3 MONTHS ENDED	
	30.9.2015	30.9.2014
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	18,592	5,372
Bad debts	-	80
Depreciation of property, plant and equipment	214	196
Interest expense	3,216	2,478
Interest income	(303)	(217)
Reversal of accruals	-	(6,287)
Unrealised (gain)/loss on foreign exchange	(15,185)	4
Share of results of a joint venture	(7,032)	25
	-----	-----
Operating cash flows before working capital changes	(498)	1,651
Net changes in current assets	(9,591)	(6,803)
Net changes in current liabilities	(7,974)	(30,768)
Net changes in inter-company balances	20,400	(4,386)
	-----	-----
Cash from/(used in) operations	2,337	(40,306)
Income tax paid	(3,275)	(5,438)
	-----	-----
Net cash used in operating activities	(938)	(45,744)
	-----	-----
Cash flows from investing activities		
Interest received	351	217
Land held for property development	(1,773)	(1,696)
Purchase of property, plant and equipment	(77)	(29)
	-----	-----
Net cash used in investing activities	(1,499)	(1,508)
	-----	-----

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2015 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 CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015 - continued

	3 MONTHS ENDED	
	30.9.2015	30.9.2014
	RM'000	RM'000
Cash flows from financing activities		
Interest paid	(13,946)	(3,404)
Net repayments of hire purchase payables	(143)	(88)
Net drawdown of borrowings	32,562	10,267
Purchase of treasury shares	*	(1)
	-----	-----
Net cash from financing activities	18,473	6,774
	-----	-----
Net changes in cash and cash equivalents	16,036	(40,478)
Effect of exchange rate changes on cash and cash equivalents	662	(58)
Cash and cash equivalents at beginning of the financial period	----- 31,554	----- 95,506
Cash and cash equivalents at end of the financial period	----- 48,252	----- 54,970
	=====	=====
Cash and cash equivalents comprise:		
Deposits with licensed banks	32,487	47,160
Cash and bank balances	15,765	7,810
	-----	-----
	48,252	54,970
	=====	=====

*Less than RM1,000

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements

INTERIM FINANCIAL REPORT

Disclosure requirement per FRS 134 – paragraph 16

The condensed consolidated interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 30 June 2015.

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 2015.

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

Malaysia Financial Reporting Standards (“MFRS Framework”)

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.

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.

INTERIM FINANCIAL REPORT

Notes : continued

A4. Changes in Estimates of Amounts Reported

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

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 current financial quarter and financial period to date, the Company repurchased 100 ordinary shares, of RM0.50 each of its issued share capital from the open market at an average cost of RM0.65 per share. The total consideration paid for the share buy-back, including transaction costs during current financial period to date amounted to RM107.92 were financed by internally generated funds. The repurchase of shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

As at 30 September 2015, the total number of treasury shares held was 15,174,400 ordinary shares 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 30 September 2015.

A7. Segment Information

No segment information is prepared as the Group's activities are predominantly in one industry segment.

A8. Subsequent Events

There were no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

INTERIM FINANCIAL REPORT

Notes : continued

A9. Changes in the Composition of the Group

There were no significant changes in the composition of the Group, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing of operations during the current financial period.

A10. Changes in Contingent Liabilities

There was no significant change in the contingent liabilities of the Group since the last financial year ended 30 June 2015.

(THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

INTERIM FINANCIAL REPORT

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

B1. Review of Performance

Current quarter review

For the current financial quarter under review, Group revenue and profit before taxation increased 8% and 246%, respectively from RM27.314 million and RM5.372 million recorded in the preceding year corresponding financial quarter ended 30 September 2014 to RM29.557 million and RM18.592 million, respectively.

The increase in Group revenue was attributable to higher work progress from the Fennel project undertaken by Sentul Raya Sdn Bhd (“SRSB”) recorded in the current financial quarter as compared to the preceding year corresponding financial quarter.

Group profit before taxation in the current financial quarter increased mainly contributed by the higher work progress from the Fennel project as highlighted above, unrealised gain on foreign exchange on amount due from Singapore subsidiaries and share of profits from The Shorefront project undertaken by a joint venture, Shorefront Development Sdn Bhd (formerly known as PDC Heritage Hotel Sdn Bhd).

B2. Comparison with Preceding Quarter

	Current Quarter 30.9.2015 RM'000	Preceding Quarter 30.6.2015 RM'000
Revenue	29,557	29,169
Profit before taxation	18,592	16,603
Profit attributable to owners of the parent	16,268	10,544

The Group revenue and profit before taxation increased to RM29.557 million and RM18.592 million from RM29.169 million and RM16.603 million, respectively recorded in the preceding financial quarter. The increases were mainly due to higher unrealised gain on foreign exchange as set out under Note B1.

(THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

INTERIM FINANCIAL REPORT

Notes : continued

B3. Audit Report of preceding financial year ended 30 June 2015

The Auditors' Report on the financial statements of the financial year ended 30 June 2015 did not contain any qualification.

B4. Prospects

The Group is expected to achieve satisfactory performance for the financial year ending 2016 through the property development activities undertaken by its subsidiaries and joint venture.

B5. Profit Forecast

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

B6. Profit for the period

Profit for the period is stated after charging/(crediting):

	Current Quarter 30.9.2015 RM'000	Current Period To Date 30.9.2015 RM'000
Depreciation of property, plant and equipment	214	214
Interest expense	3,216	3,216
Interest income	(303)	(303)
Unrealised gain on foreign exchange	(15,185)	(15,185)
	=====	=====

Other than the above items, there were no other investment income, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, gain or loss on derivatives and exceptional items for the current financial period.

(THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

INTERIM FINANCIAL REPORT

Notes : continued

B7. Taxation

Taxation comprise the following:-

	Current Quarter 30.9.2015 RM'000	Current period To Date 30.9.2015 RM'000
Income tax :		
- Current period	1,598	1,598
Deferred tax	(261)	(261)
	-----	-----
	1,337	1,337
	=====	=====

The Group provision for taxation for the financial period ended 30 September 2015 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.

B8. Corporate Development

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

B9. Group Borrowings and Debt Securities

The Group's borrowings and debt securities as at the end of the financial period are as follows:-

	Short term		Long term		
	ICULS RM'000	Borrowings RM'000	ICULS RM'000	Borrowings RM'000	Total RM'000
Secured	-	119,612	-	961,223	1,080,835
Unsecured	9,550	133,700	117,189	458,888	719,327
	-----	-----	-----	-----	-----
Total	9,550	253,312	117,189	1,420,111	1,800,162
	=====	=====	=====	=====	=====

The above include borrowings denominated in foreign currency as follow:-

In Singapore Dollar ('000)	486,211
	=====

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

INTERIM FINANCIAL REPORT

Notes : continued

B10. Material Litigation

There were no material litigations during the quarter under review.

B11. Dividend

No dividend has been declared for the current financial quarter.

B12. Retained Earnings

	As at 30.9.2015 RM'000	As at 30.6.2015 RM'000
Total retained earnings of the Company and its subsidiaries :		
- Realised	335,428	340,756
- Unrealised	173,444	158,259
	----- 508,872	----- 499,015
Total share of retained earnings from a joint venture :		
- Realised	13,315	6,283
Less: Consolidation adjustments	(420,462)	(419,841)
Total Group retained earnings as per consolidated interim financial statements	----- 101,725 =====	----- 85,457 =====

(THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

INTERIM FINANCIAL REPORT

Notes : continued

B13. Earnings Per Share

- **Basic/diluted earnings per share**

The basic earnings per share of the Group has been computed by dividing the 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, excluding treasury shares held by the Company, assuming the full conversion of 991,786,363 ICULS into ordinary shares at a conversion price of RM1.32 per share.

	Current Quarter 30.9.2015	Preceding Year Corresponding Quarter 30.9.2014
Profit attributable to owners of the parent (RM'000)	16,268	3,573
Interest expense on ICULS (RM'000)	2,374	2,470
Profit attributable to owners of the parent including assumed conversion (RM'000)	18,642	6,043
Weighted average number of ordinary shares of RM0.50 each ('000)	829,171	829,172
Adjustment for assumed conversion of ICULS ('000)	375,677	375,677
Adjusted weighted average number of ordinary shares ('000)	1,204,848	1,204,849
Basic/diluted (per 50 sen share) (sen)	1.55	0.50

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 26 November 2015