

2018年度第1四半期（2017年7月～2017年9月）決算短信

会 社 名 ワイ・ティー・エル・コーポレーション・バーハッド
 株式銘柄コード (1773)
 本 店 所 在 地 マレーシア 55100 クアラルンプール、ジャラン・ブギット・ピ
 ンタン 55、ヨー・ティオン・レイ・プラザ 11階
 所 属 部 東証1部（外国）
 決 算 期 本決算：年1回（6月） 中間決算：四半期ごと
 問 い 合 せ 先 東京都港区元赤坂一丁目2-7 赤坂Kタワー
 アンダーソン・毛利・友常法律事務所
 弁護士 森下 国彦
 弁護士 戸塚 悠里
 弁護士 小滝 博行 電話 (03)6888-1000
 四半期報告書
 提出予定日 2017年12月26日

1. 本国における決算発表日 2017年11月22日（水曜日）

2. 業績

	第1四半期（2017年7月から9月までの3ヶ月）（連結）		
	当期（未監査）	前期（未監査）	増減率
売上高または営業収入	3,929,862 千リングgit	3,492,150 千リングgit	12.53%
純利益（税引後）	309,556 千リングgit	263,149 千リングgit	17.64%
一 株 当 り 利 益	1.36 セン	1.44 セン	-5.56%

配当金の推移			
	当 期	前 期	備 考
第1四半期	0 セン	0 セン	
第2四半期		0 セン	
第3四半期		0 セン	
第4四半期		5.0 セン	
合 計	0 セン	5.0 セン	

3. 概況・特記事項・その他

- (1) 純利益（税引後）は法人税考慮後・少数株式持分損益考慮前利益に基づき算出されている。
- (2) 上記1株当たり利益は基本的利益である。希薄化後1株当たり利益は、当期が1.36セン、前期が1.44センであった。これらの1株当たり利益は法人税考慮後・少数株主持分考慮後利益に基づき算出している。
- (3) 売上高または営業収入および純利益（税引後）の数値は百の位を四捨五入している。

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

Interim Financial Report
30 September 2017

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

Interim Financial Report
30 September 2017

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

INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the financial period ended 30 September 2017.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	3 MONTHS ENDED	
	YEAR	YEAR		
	QUARTER	QUARTER	30.09.2017	30.09.2016
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000	RM'000	RM'000	RM'000
Revenue	3,929,862	3,492,150	3,929,862	3,492,150
Cost of sales	<u>(2,787,026)</u>	<u>(2,506,831)</u>	<u>(2,787,026)</u>	<u>(2,506,831)</u>
Gross profit	1,142,836	985,319	1,142,836	985,319
Other operating income	57,310	65,827	57,310	65,827
Other operating expenses	<u>(434,113)</u>	<u>(482,701)</u>	<u>(434,113)</u>	<u>(482,701)</u>
Profit from operations	766,033	568,445	766,033	568,445
Finance costs	(419,919)	(306,617)	(419,919)	(306,617)
Share of results of associated companies and joint ventures	<u>93,974</u>	<u>84,467</u>	<u>93,974</u>	<u>84,467</u>
Profit before taxation	440,088	346,295	440,088	346,295
Taxation	<u>(130,532)</u>	<u>(83,146)</u>	<u>(130,532)</u>	<u>(83,146)</u>
Profit for the period	<u>309,556</u>	<u>263,149</u>	<u>309,556</u>	<u>263,149</u>
Attributable to:-				
Owners of the parent	142,897	150,330	142,897	150,330
Non-controlling interests	<u>166,659</u>	<u>112,819</u>	<u>166,659</u>	<u>112,819</u>
Profit for the period	<u>309,556</u>	<u>263,149</u>	<u>309,556</u>	<u>263,149</u>
Earnings per share				
Basic (Sen)	<u>1.36</u>	<u>1.44</u>	<u>1.36</u>	<u>1.44</u>
Diluted (Sen)	<u>1.36</u>	<u>1.44</u>	<u>1.36</u>	<u>1.44</u>

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2017 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	PRECEDING YEAR	3 MONTHS ENDED	
	YEAR	YEAR	30.09.2017	30.09.2016
	QUARTER	QUARTER	RM'000	RM'000
Profit for the period	<u>309,556</u>	<u>263,149</u>	<u>309,556</u>	<u>263,149</u>
Other comprehensive income :-				
<i>Items that may be reclassified subsequently to income statement:-</i>				
Available-for-sale financial assets	664	483	664	483
Cash flow hedges	111,326	107,087	111,326	107,087
Foreign currency translation	<u>13,070</u>	<u>492,205</u>	<u>13,070</u>	<u>492,205</u>
Other comprehensive income for the period, net of tax	<u>125,060</u>	<u>599,775</u>	<u>125,060</u>	<u>599,775</u>
Total comprehensive income for the period	<u><u>434,616</u></u>	<u><u>862,924</u></u>	<u><u>434,616</u></u>	<u><u>862,924</u></u>
Attributable to :-				
Owner of the parent	230,509	457,156	230,509	457,156
Non-controlling interests	<u>204,107</u>	<u>405,768</u>	<u>204,107</u>	<u>405,768</u>
Total comprehensive income for the period	<u><u>434,616</u></u>	<u><u>862,924</u></u>	<u><u>434,616</u></u>	<u><u>862,924</u></u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2017 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	AUDITED
	AS AT	AS AT
	30.09.2017	30.06.2017
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	28,737,801	28,516,788
Investment properties	10,538,745	10,517,010
Investment in associated companies and joint ventures	2,463,985	2,480,383
Investments	1,069,807	845,165
Development expenditure	934,080	894,886
Intangible assets	6,362,303	6,386,034
Biological assets	1,798	1,798
Other receivables and other non-current assets	1,184,651	1,155,280
Derivative financial instruments	21,208	13,629
	<u>51,314,378</u>	<u>50,810,973</u>
Current Assets		
Inventories	2,956,566	799,825
Property development costs	312,155	2,475,214
Trade, other receivables and other current assets	3,866,508	3,814,761
Derivative financial instruments	99,956	52,124
Income tax assets	76,214	80,116
Investments	2,328,978	2,503,011
Amount due from related parties	83,374	87,497
Short term investments	745,367	738,801
Fixed deposits	11,629,866	12,145,557
Cash and bank balances	820,062	1,174,691
	<u>22,919,046</u>	<u>23,871,597</u>
TOTAL ASSETS	<u><u>74,233,424</u></u>	<u><u>74,682,570</u></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 2017 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	AUDITED
	AS AT	AS AT
	30.09.2017	30.06.2017
	RM'000	RM'000
EQUITY		
Share capital	3,340,111	3,340,111
Other reserves	1,611,106	1,523,559
Retained profits	10,749,137	10,606,817
Less : Treasury shares, at cost	(596,578)	(596,577)
Total Equity Attributable to Owners of the Parent	<u>15,103,776</u>	<u>14,873,910</u>
Non-Controlling Interests	8,136,227	8,051,734
TOTAL EQUITY	<u>23,240,003</u>	<u>22,925,644</u>
LIABILITIES		
Non-current liabilities		
Long term payables and other non-current liabilities	939,282	932,394
Bonds & borrowings	39,342,364	34,132,823
Grants and contributions	554,865	547,775
Deferred tax liabilities	2,092,424	2,068,379
Post-employment benefit obligations	1,128,629	1,115,512
Provision for liabilities and charges	7,077	7,077
Derivative financial instruments	21,798	44,008
	<u>44,086,439</u>	<u>38,847,968</u>
Current Liabilities		
Trade, other payables and other current liabilities	3,318,886	3,376,463
Derivative financial instruments	96,837	128,772
Amount due to related parties	8,244	8,486
Bonds & borrowings	3,046,813	8,996,806
Income tax liabilities	251,029	210,474
Provision for liabilities and charges	185,173	187,957
	<u>6,906,982</u>	<u>12,908,958</u>
TOTAL LIABILITIES	50,993,421	51,756,926
TOTAL EQUITY AND LIABILITIES	<u>74,233,424</u>	<u>74,682,570</u>
Net Assets per share (RM)	<u>1.43</u>	<u>1.43</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 2017 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 30 SEPTEMBER 2017**

Group	Attributable to Owners of the Parent				Non-Controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Retained profits RM'000	Treasury shares RM'000	Other reserves RM'000		
At 1 July 2017	3,340,111	10,606,817	(596,577)	1,523,559	8,051,734	22,925,644
Profit for the period	-	142,897	-	-	166,659	309,556
Other comprehensive income	-	-	-	87,612	37,448	125,060
Total comprehensive income for the period	-	142,897	-	87,612	204,107	434,616
Changes in composition of the Group	-	(699)	-	-	3,184	2,485
Dividend paid	-	-	-	-	(122,798)	(122,798)
Issue of share capital	-	-	-	-	-	-
Purchase of treasury shares	-	-	(1)	-	(1)	(1)
Share option lapsed by subsidiary	-	122	-	(65)	57	57
At 30 September 2017	3,340,111	10,749,137	(596,578)	1,611,106	8,136,227	23,240,003

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 2017 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 30 SEPTEMBER 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	Share	Retained profits RM'000	Treasury shares RM'000	Other reserves RM'000		
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	-	-	150,330	-	-	150,330	112,819	263,149
Other comprehensive income	-	-	-	-	306,826	306,826	292,949	599,775
Total comprehensive income for the period	-	-	150,330	-	306,826	457,156	405,768	862,924
Changes in composition of the Group	-	-	(129,435)	-	-	(129,435)	(22,463)	(151,898)
Dividend paid	-	-	-	-	-	-	(83,836)	(83,836)
Issue of share capital	10,172	157,663	-	-	-	167,835	-	167,835
Share option lapsed by subsidiary	-	-	52	-	(28)	24	-	24
At 30 September 2016	1,089,571	2,226,851	11,244,784	(596,575)	1,134,428	15,099,059	7,708,067	22,807,126

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 2017 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 30 SEPTEMBER 2017**

	3 MONTHS ENDED	
	30.09.2017	30.09.2016
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	440,088	346,295
Adjustment for :-		
Allowance for impairment of inventories	279	340
Amortisation of deferred income	(2,210)	(1,486)
Amortisation of grants and contributions	(4,559)	(3,529)
Amortisation of other intangible assets	15,298	21,315
Depreciation	377,575	361,026
Dividend income	(817)	(1,538)
Fair value changes of derivatives	(4,475)	6,393
Gain on disposal of investments	-	(31,627)
Gain on disposal of property, plant and equipment	(2,616)	(3,553)
Impairment losses	22,502	22,208
Interest expense	419,919	306,617
Interest income	(83,729)	(56,143)
Property, plant and equipment written off	12,029	7,034
Provision for post-employment benefit	11,765	8,695
Provision for liabilities and charges	559	-
Share of results of associated companies and joint ventures	(93,974)	(84,467)
Unrealised (gain)/loss on foreign exchange	(23,463)	41,890
Other non cash items	654	441
Operating profit before changes in working capital	1,084,825	939,911

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2017 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 30 SEPTEMBER 2017 - continued**

	3 MONTHS ENDED	
	30.09.2017	30.09.2016
	RM'000	RM'000
Changes in working capital:-		
Inventories	(16,044)	15,072
Property development costs	26,858	(19,059)
Receivables, deposits and prepayments	(152,949)	(120,141)
Payables and accrued expenses	(63,652)	(467,693)
Related parties balances	3,839	(8,612)
Cash generated from operations	882,877	339,478
Dividend received	96,096	56,841
Interest paid	(345,883)	(282,391)
Interest received	84,680	50,423
Payment to a retirement benefits scheme	(11,738)	(14,432)
Income tax paid	(79,393)	(107,294)
Net cash from operating activities	626,639	42,625
Cash flows from investing activities		
Acquisition of additional shares in existing subsidiaries	-	(167,835)
Acquisition of new subsidiaries (net of cash acquired)	-	(12)
Acquisition of associated companies	-	(15,024)
Development expenditure incurred	(40,197)	(39,406)
Grants received in respect of infrastructure assets	5,364	12,371
Proceeds from disposal of property, plant & equipment	3,737	3,694
Proceeds from disposal of investments	350,000	9,004
Purchase of investment properties	(18,951)	(4,529)
Purchase of property, plant & equipment	(415,626)	(195,362)
Purchase of intangible assets	(6,985)	(10,561)
Purchase of investments	(383,252)	(59,930)
Shareholder loans	(19,215)	-
Net cash used in investing activities	(525,125)	(467,590)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2017 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 30 SEPTEMBER 2017 - continued**

	3 MONTHS ENDED	
	30.09.2017	30.09.2016
	RM'000	RM'000
Cash flows from financing activities		
Dividend paid to non-controlling interests by subsidiaries	(122,798)	(83,836)
Repurchase of own shares by the company (at net)	(1)	-
Repurchase of subsidiaries' shares by subsidiaries	(1)	-
Proceeds from borrowings	7,794,616	224,463
Proceeds from issue of shares	-	167,835
Proceeds from issue of shares in subsidiaries to non-controlling interests	1,542	15,457
Repayment of borrowings	(8,666,165)	(270,228)
Net cash from/(used in) financing activities	<u>(992,807)</u>	<u>53,691</u>
Net changes in cash and cash equivalents	(891,293)	(371,274)
Effects of exchange rate changes	21,951	218,521
Cash and cash equivalents at beginning of the financial year	<u>13,316,838</u>	<u>13,679,430</u>
Cash and cash equivalents at end of the financial year	<u><u>12,447,496</u></u>	<u><u>13,526,677</u></u>
Cash and cash equivalent comprise :-		
Fixed deposit with licensed bank	11,629,866	12,138,878
Cash and bank balances	820,063	1,387,918
Bank overdraft	(2,433)	(119)
	<u><u>12,447,496</u></u>	<u><u>13,526,677</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

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 2017.

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 2017.

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.

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INTERIM FINANCIAL REPORT

Notes: - continued

A2. Seasonality or Cyclicity 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

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following:-

During the current financial quarter, the Company repurchased 1,000 ordinary shares of its issued share capital from the open market, at an average RM1.45 per share. The total consideration paid for the share buy-back, including transaction costs amounted to RM1,455 and was financed by internally generated funds. The shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

As at 30 September 2017, the number of treasury shares held was 375,349,139 ordinary shares.

A6. Dividend paid

There was no dividend paid during the current financial quarter.

YTL CORPORATION BERHAD (Company No. 92647-H)
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INTERIM FINANCIAL REPORT

Notes: - continued

A7. Segment Information

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

The Group's segmental result for the financial period ended 30 September 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	32,654	1,499	637,744	374,314	113,801	265,359	2,504,491	-	3,929,862
Inter-segment revenue	51,214	19,691	1,885	50,270	71,773	1,701	4,153	(200,687)	-
Total revenue	83,868	21,190	639,629	424,584	185,574	267,060	2,508,644	(200,687)	3,929,862
Segment results									
Profit from operations	466	1,179	55,895	259,271	137,696	4,032	307,494	-	766,033
Finance costs									(419,919)
Share of profit of associated companies & joint ventures									346,114
Profit before taxation									93,974
									440,088

YTL CORPORATION BERHAD (Company No. 92647-H)
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INTERIM FINANCIAL REPORT

Notes: - continued

A7. Segment Information - continued

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

The Group's segmental result for the financial period ended 30 September 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	22,442	879	575,774	266,857	109,250	220,547	2,296,401	-	3,492,150
Inter-segment revenue	104,367	20,283	6,716	49,275	51,360	2,340	5,033	(239,374)	-
Total revenue	126,809	21,162	582,490	316,132	160,610	222,887	2,301,434	(239,374)	3,492,150
Segment results									
Profit from operations	8,789	152	87,561	86,946	108,665	19,025	257,307	-	568,445
Finance costs									(306,617)
Share of profit of associated companies & joint ventures									261,828
Profit before taxation									84,467
									346,295

INTERIM FINANCIAL REPORT

Notes: - continued

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 30 September 2017, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations except for the following:-

- On 31 July 2017, Ideal Worlds Pte Ltd, a subsidiary of the Company, disposed of all its shares held in Prestige Lifestyles & Living Sdn Bhd (“PLL”), comprising of 2 ordinary shares and representing the entire issued and paid-up share capital in PLL to Starhill Living.Com Sdn Bhd (“SHLC”) for a consideration of RM2.00. As a result, PLL became a wholly-owned subsidiary of SHLC and remains an indirect subsidiary of the Company.
- On 27 September 2017, YTL Cement (Hong Kong) Limited (“YTL Cement HK”), a wholly-owned subsidiary YTL Cement Berhad (“YTL Cement”), which in turn is a subsidiary of the Company, acquired 1 share of US\$1.00, representing the entire issued and paid-up share capital in Concrete Star Limited (“CSL”) at par value. As a result, CSL became a wholly-owned subsidiary of YTL Cement HK and an indirect subsidiary of YTL Cement and the Company. CSL will be principally engaged in investment holding.

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 2017.

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 2 November 2017, Zhejiang Hangzhou Dama Cement Co., Ltd., an indirect wholly-owned subsidiary of YTL Cement, has incorporated a wholly-owned subsidiary in the People’s Republic of China, known as Hangzhou Dama Kai Tong Environmental Technology Co., Ltd. (“Hangzhou Dama Kai Tong”) to undertake the business of treatment and disposal of waste materials. Hangzhou Dama Kai Tong is a limited liability company with a registered capital of Renminbi 1.0 million.

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

B1. Review of Performance

	Individual Quarter		Cumulative Quarter		Variance	
	30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000	%	%
Revenue					+/-	+/-
Construction	32,654	22,442	32,654	22,442	46%	46%
Information technology & e-commerce related business	1,499	879	1,499	879	71%	71%
Cement Manufacturing & trading	637,744	575,774	637,744	575,774	11%	11%
Property investment & development	374,314	266,857	374,314	266,857	40%	40%
Management services & others	113,801	109,250	113,801	109,250	4%	4%
Hotels	265,359	220,547	265,359	220,547	20%	20%
Utilities	2,504,491	2,296,401	2,504,491	2,296,401	9%	9%
	<u>3,929,862</u>	<u>3,492,150</u>	<u>3,929,862</u>	<u>3,492,150</u>		
Profit before taxation						
Construction	463	8,787	463	8,787	-95%	-95%
Information technology & e-commerce related business	1,179	152	1,179	152	676%	676%
Cement Manufacturing & trading	44,491	74,945	44,491	74,945	-41%	-41%
Property investment & development	190,418	38,381	190,418	38,381	396%	396%
Management services & others	(23,660)	8,535	(23,660)	8,535	-377%	-377%
Hotels	(1,340)	13,689	(1,340)	13,689	-110%	-110%
Utilities	228,537	201,806	228,537	201,806	13%	13%
	<u>440,088</u>	<u>346,295</u>	<u>440,088</u>	<u>346,295</u>		

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For the current quarter under review, the Group recorded revenue and profit before taxation of RM3,930.0 million and RM440.1 million respectively, representing an increase of 12.5% and 27.1%, respectively compared to preceding year corresponding quarter.

Performance of the respective operating business segments for the financial quarter/period ended 30 September 2017 as compared to the preceding year corresponding financial quarter/period are analysed as follows:

Construction

For the current financial quarter under review, the increase in revenue was principally due to better site progress recorded whilst the decrease in profit before tax was mainly due to higher operating expenses incurred.

Information technology & e-commerce related business

For the current financial quarter under review, the increase in revenue and profit before taxation were mainly due to higher production income from content and digital media division and higher interest income earned on cash deposits.

Cement Manufacturing & trading

For the current financial quarter under review, the increase in revenue was mainly attributable to higher sales volume contribution from the Quarry division and Cement division in China. The decrease in profit before taxation was mainly due to increase in production cost and absence of liquidated damages imposed on the contractor for delay in the construction of a cement facility.

Property investment & development

For the current financial quarter under review, the increase in revenue and profit before tax was mainly attributable to the land disposal by Udapakat Bina Sdn. Bhd., a wholly-owned subsidiary of YTL Land & development Berhad following the acquisition by Pentadbir Tanah Kuala Lumpur for the Mass Rapid Transit project.

Management services & others

For the current financial quarter under review, increase in revenue was mainly contributed by higher interest income whilst the loss before taxation was mainly due to higher finance costs which was partially offset by an increase in share of results of the associated companies recorded by YTL Power International Berhad group.

Hotels

For the current financial quarter under review, revenue increase was mainly contributed by The Hotel Stripes in Kuala Lumpur and 3 newly acquired Hotels in United Kingdom. Despite this, the segment reported a loss before tax due mainly to the impact of ongoing phased renovation of The JW Marriott Kuala Lumpur and pre-opening and training expenses incurred by The Ritz-Carlton, Koh Samui, Thailand.

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Utilities

For the current financial quarter under review, the increase in revenue and profit before taxation were principally attributable to lower operating cost accorded in the Mobile broadband division and Power generation (Contracted) division's commencement of its short-term capacity generation on 1 September 2017.

The utilities segment contributes to 63.7% and 51.9% of the Group revenue and profit before taxation, respectively.

B2. Comparison with Preceding Quarter

	Current Quarter 30.09.2017 RM'000	Preceding Quarter 30.06.2017 RM'000	Variance % +/-
Revenue	3,929,862	3,898,084	1%
Profit before taxation	440,088	463,902	-5%
Profit attributable to owners of the parent	142,897	229,334	-38%

The increase in revenue was attributable to the land disposal following the acquisition by Pentadbir Tanah Kuala Lumpur for the Mass Rapid Transit project as set out under Note B1. Decrease in profit before taxation was mainly due to the absence of the gain on an arbitration award recorded by SPYTL for a construction project.

B3. Audit Report of the preceding financial year ended 30 June 2017

The Auditors' Report on the financial statements of the financial year ended 30 June 2017 did not contain any qualification.

B4. Prospects

Construction

The construction segment is expected to achieve satisfactory performance for the financial year ending 30 June 2018 as the construction contracts relate mainly to the Group's property development and infrastructure works.

Information technology & e-commerce related business

The outlook for the segment's performance in the financial year ending 30 June 2018 should be satisfactory, given that a significant portion of its revenue is derived from relatively resilient spectrum sharing fee income.

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Cement manufacturing & trading

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 2018.

Property investment & development

This segment is expected to achieve satisfactory performance for the financial year ending 30 June 2018 through the property development activities undertaken by its subsidiaries and joint venture.

Management services & others/Hotels

Considering the current market condition, the performance of these two segments for the financial year ending 30 June 2018 is expected to remain satisfactory.

Utilities

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

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

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

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.

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This business segment will continuously be coming up with more competitive products to increase the subscriber base to generate higher revenue, supported by the launch of its nationwide 4G LTE and Voice-over-LTE (VoLTE) services in the preceding year. In its drive to champion the use of Internet technology to empower Malaysian students and equip them with a culture of lifelong learning and technology know-how to succeed in the global knowledge economy, the Group continued to make good progress in its implementation of the 1BestariNet project, a project undertaken for the Government of Malaysia that aims to leverage information technology to scale up the quality of learning across the country. A key feature of the project is the provision of the Frog VLE (Virtual Learning Environment) to more than 10,000 state schools, a learning platform that allows schools to simplify and enhance teaching and learning, communication and administration. Plans are also underway to roll out the LTE version of the Yes Zoom gateway device as well as to expand the Yes platform into Sarawak in the near future.

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 30.09.2017 RM'000	Year To Date 30.09.2017 RM'000
Profit for the period is stated after charging/(crediting):		
Allowance for impairment of inventories	279	279
Allowance for impairment of receivables - net of reversal	22,502	22,502
Amortisation of grants and contributions	(4,559)	(4,559)
Amortisation of other intangible assets	15,298	15,298
Depreciation of property, plant and equipment	377,575	377,575
Dividend income	(817)	(817)
Fair value changes of derivatives	(4,475)	(4,475)
Gain on disposal of property, plant and equipment	(2,616)	(2,616)
Loss on foreign exchange	30,200	30,200
Interest expense	419,842	419,842
Interest income	<u>16,432</u>	<u>16,432</u>

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.

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B7. Taxation

Taxation comprise the following:-

	Current Quarter 30.09.2017 RM'000	Year To Date 30.09.2017 RM'000
In respect of current period		
- Income tax	125,021	125,021
- Deferred tax	5,061	5,061
	<u>130,082</u>	<u>130,082</u>

The higher 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.

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B9. Group Borrowings and Debt Securities

The Group's borrowings and debts securities as at 30 September 2017 are as follows:-

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Current			
Bankers' acceptances	-	1,945	1,945
Bank overdrafts	-	2,433	2,433
Committed bank loans	-	46,766	46,766
Finance lease liabilities	76,319	31,528	107,847
ICULS	-	15,283	15,283
Revolving credit	-	2,200,395	2,200,395
Term loans	275,481	396,663	672,144
	<u>351,800</u>	<u>2,695,013</u>	<u>3,046,813</u>
Non-current			
Finance lease liabilities	36,726	9,222	45,948
ICULS	-	14,688	14,688
Term loans	3,180,588	15,980,312	19,160,900
Bonds	328,195	19,792,633	20,120,828
	<u>3,545,509</u>	<u>35,796,855</u>	<u>39,342,364</u>
Total borrowings	<u>3,897,309</u>	<u>38,491,868</u>	<u>42,389,177</u>

Foreign currency borrowings included in the above are as follows :-

	Foreign Currency 000	RM Equivalents 000
US Dollar	896,267	3,788,969
Singapore Dollar	3,268,453	10,173,060
Sterling Pound	2,158,766	12,243,657
Japanese Yen	16,070,112	603,256
Thai Baht	1,496,000	189,522
Australia Dollar	531,017	1,762,127
	<u>24,420,615</u>	<u>28,760,591</u>

Save for the borrowings of RM253.7 million, US Dollar 250.0 million, Sterling Pound 75.4 million, Yen 11.3 billion and Thai Baht 1.496 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.

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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 30 September 2017, the Group's outstanding derivatives are as follows:

Type of Derivatives	Contract/Notional Value RM'000	Fair Value RM'000
<u>Fuel oil swaps</u>		
- Less than 1 year	997,206	1,012,153
- 1 year to 3 years	229,740	248,117
- More than 3 years	-	-
<u>Currency forwards</u>		
- Less than 1 year	1,022,898	1,018,669
- 1 year to 3 years	327,336	319,673
- More than 3 years	-	-
<u>Interest rate swap contracts</u>		
- 1 year to 5 years	871,209	(11,303)

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.

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(b) Fair Value Changes of Financial Liabilities

The gains/(losses) arising from fair value changes of financial liabilities for the current financial period ended 30 September 2017 are as follows:

Type of financial liabilities	Basis of fair value measurement	Reason for the gains/(losses)	Fair value gains/(losses)	
			Current quarter 30.09.2017 RM'000	Current year to date 30.09.2017 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	976	976
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	7,294	7,294
Total			8,270	8,270

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(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	Level 2	Total
	RM'000	RM'000	RM'000
30 September 2017			
Assets			
Financial assets at fair value through profit and loss			
- Trading derivatives	-	119	119
- Income funds	-	3,017,074	3,017,074
- Equity investments	-	4,105	4,105
Derivative used for hedging	-	121,045	121,045
Available-for-sale financial assets	75,607	-	75,607
Total assets	75,607	3,142,343	3,217,950
Liabilities			
Financial liabilities at fair value through profit and loss			
- Trading derivatives	-	4,902	4,902
Derivative used for hedging	-	113,733	113,733
Total liabilities	-	118,635	118,635

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(d) Realised and Unrealised Profits or Losses

	As at 30.09.2017 RM'000	As at 30.06.2017 RM'000
Retained earnings/(Accumulated losses) of the Company and its subsidiaries		
- Realised	15,065,499	14,594,411
- Unrealised	235,097	266,997
	<u>15,300,596</u>	<u>14,861,408</u>
Total share of accumulated profit from associated companies and joint ventures		
- Realised	1,013,897	1,066,276
- Unrealised	43,457	56,647
	<u>1,057,354</u>	<u>1,122,923</u>
Less: consolidation adjustments	<u>(5,608,813)</u>	<u>(5,377,514)</u>
	<u>10,749,137</u>	<u>10,606,817</u>

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:

In 2015, a foreign subsidiary of the Group commenced proceedings in court against two customers to recover monies due to the subsidiary under contract, following termination of their electricity retail contracts. The 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.

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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 30.09.2017	Preceding Year Corresponding Quarter 30.09.2016
Profit attributable to owners of the parent (RM'000)	142,897	150,330
<i>Weighted average number of ordinary shares ('000)</i>		
Weighted average number of ordinary shares ('000)	10,910,559	10,827,897
<i>Less: Shares repurchased</i>	(375,349)	(375,347)
	10,535,210	10,452,550
Basic earnings per share (sen)	1.36	1.44

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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 30.09.2017	Preceding Year Corresponding Quarter 30.09.2016
Profit attributable to owners of the parent (RM'000)	142,897	150,330
<i>Weighted average number of ordinary shares - diluted ('000)</i>		
Weighted average number of ordinary shares-basic	10,535,210	10,452,550
Effect of unexercised employees share option scheme ("ESOS")	-	-
	<u>10,535,210</u>	<u>10,452,550</u>
Diluted earnings per share (sen)	<u>1.36</u>	<u>1.44</u>

Total cash expected to be received in the event of an exercise of all outstanding ESOS options is RM226.765 million (2017: RM230.423 million). Accordingly, the Net Asset ("NA") on a proforma basis will increase by RM226.765 million (2016: RM230.423 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: 22 November 2017