

## 2018年度第2四半期（2017年10月～2017年12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・  
ビンタン 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  
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四半期報告書 2018年3月27日  
提出予定日

1. 本国における決算発表日 2018年2月23日（金曜日）

## 2. 業績

	第2四半期（10月から12月までの3ヶ月）（連結）		
	当年度（未監査）	前年度（未監査）	増減率
売上高または営業収入	3,899,196千リンギット	3,622,075千リンギット	7.65%
純利益（税引後）	294,919千リンギット	308,962千リンギット	-4.55%
一株当たり利益	1.20セン	1.42セン	-15.49%

	今期累積額（7月から12月までの6ヶ月）（連結）		
	当年度（未監査）	前年度（未監査）	増減率
売上高または営業収入	7,829,058千リンギット	7,114,225千リンギット	10.05%
純利益（税引後）	604,475千リンギット	572,111千リンギット	5.66%
一株当たり利益	2.55セン	2.84セン	-10.21%

配当金の推移			
	当年度	前年度	備考
第1四半期	0セン	0セン	
第2四半期	0セン	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1.20セン、前年同期が1.42センであった。今期累積額については、当期が2.55セン、前年同期が2.84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**  
**31 December 2017**

**YTL CORPORATION BERHAD**  
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**Interim Financial Report**  
**31 December 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 31 December 2017.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER	PRECEDING YEAR QUARTER	6 MONTHS ENDED	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	3,899,196	3,622,075	7,829,058	7,114,225
Cost of sales	(2,876,326)	(2,657,397)	(5,663,352)	(5,164,228)
Gross profit	1,022,870	964,678	2,165,706	1,949,997
Other operating income	90,296	125,219	147,606	191,046
Other operating expenses	(419,312)	(476,010)	(853,425)	(958,711)
<b>Profit from operations</b>	693,854	613,887	1,459,887	1,182,332
Finance costs	(401,918)	(315,309)	(821,837)	(621,926)
Share of results of associated companies and joint ventures	103,667	103,434	197,641	187,901
<b>Profit before taxation</b>	395,603	402,012	835,691	748,307
Taxation	(100,684)	(93,050)	(231,216)	(176,196)
<b>Profit for the period</b>	294,919	308,962	604,475	572,111
<b>Attributable to:-</b>				
Owners of the parent	126,093	147,692	268,990	298,022
Non-controlling interests	168,826	161,270	335,485	274,089
<b>Profit for the period</b>	294,919	308,962	604,475	572,111
<b>Earnings per share</b>				
Basic (Sen)	1.20	1.42	2.55	2.84
Diluted (Sen)	1.20	1.42	2.55	2.84

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		6 MONTHS ENDED	
	QUARTER	QUARTER	QUARTER	QUARTER
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	<u>294,919</u>	<u>308,962</u>	<u>604,475</u>	<u>572,111</u>
<b>Other comprehensive (loss)/income :-</b>				
<i>Items that may be reclassified subsequently to income statement:-</i>				
Available-for-sale financial assets	(756)	(2,122)	(92)	(1,639)
Cash flow hedges	77,020	286,135	188,346	393,222
Foreign currency translation	<u>(699,551)</u>	<u>523,597</u>	<u>(686,481)</u>	<u>1,015,802</u>
<b>Other comprehensive (loss)/income for the period, net of tax</b>	<u>(623,287)</u>	<u>807,610</u>	<u>(498,227)</u>	<u>1,407,385</u>
<b>Total comprehensive (loss)/income for the period</b>	<u><u>(328,368)</u></u>	<u><u>1,116,572</u></u>	<u><u>106,248</u></u>	<u><u>1,979,496</u></u>
<b>Attributable to :-</b>				
Owner of the parent	(173,491)	547,490	57,018	1,004,646
Non-controlling interests	<u>(154,877)</u>	<u>569,082</u>	<u>49,230</u>	<u>974,850</u>
<b>Total comprehensive (loss)/income for the period</b>	<u><u>(328,368)</u></u>	<u><u>1,116,572</u></u>	<u><u>106,248</u></u>	<u><u>1,979,496</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**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>31.12.2017</b>	<b>30.06.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	28,044,901	28,516,788
Investment properties	10,304,930	10,517,010
Investment in associated companies and joint ventures	2,358,814	2,480,383
Investments	1,197,350	845,165
Development expenditure	933,876	894,886
Intangible assets	6,158,635	6,386,034
Biological assets	1,798	1,798
Other receivables and other non-current assets	1,123,791	1,155,280
Derivative financial instruments	32,384	13,629
	<u>50,156,479</u>	<u>50,810,973</u>
<b>Current Assets</b>		
Inventories	2,863,178	799,825
Property development costs	383,179	2,475,214
Trade, other receivables and other current assets	4,058,323	3,814,761
Derivative financial instruments	145,943	52,124
Income tax assets	84,605	80,116
Investments	2,047,909	2,503,011
Amount due from related parties	75,500	87,497
Short term investments	751,496	738,801
Fixed deposits	11,320,730	12,145,557
Cash and bank balances	819,891	1,174,691
	<u>22,550,754</u>	<u>23,871,597</u>
<b>TOTAL ASSETS</b>	<u><u>72,707,233</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**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>31.12.2017</b>	<b>30.06.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>EQUITY</b>		
Share capital	3,340,111	3,340,111
Other reserves	1,311,471	1,523,559
Retained profits	9,872,748	10,606,817
Less : Treasury shares, at cost	<u>(261,697)</u>	<u>(596,577)</u>
<b>Total Equity Attributable to Owners of the Parent</b>	<b>14,262,633</b>	<b>14,873,910</b>
Non-Controlling Interests	<u>7,829,395</u>	<u>8,051,734</u>
<b>TOTAL EQUITY</b>	<b><u>22,092,028</u></b>	<b><u>22,925,644</u></b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Long term payables and other non-current liabilities	904,905	932,394
Bonds & borrowings	39,261,436	34,132,823
Grants and contributions	564,382	547,775
Deferred tax liabilities	2,039,578	2,068,379
Post-employment benefit obligations	1,097,034	1,115,512
Provision for liabilities and charges	7,077	7,077
Derivative financial instruments	<u>23,993</u>	<u>44,008</u>
	<b><u>43,898,405</u></b>	<b><u>38,847,968</u></b>
<b>Current Liabilities</b>		
Trade, other payables and other current liabilities	3,277,654	3,376,463
Derivative financial instruments	76,216	128,772
Amount due to related parties	10,504	8,486
Bonds & borrowings	2,933,426	8,996,806
Income tax liabilities	235,071	210,474
Provision for liabilities and charges	<u>183,929</u>	<u>187,957</u>
	<b><u>6,716,800</u></b>	<b><u>12,908,958</u></b>
<b>TOTAL LIABILITIES</b>	<b>50,615,205</b>	<b>51,756,926</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>72,707,233</u></b>	<b><u>74,682,570</u></b>
Net Assets per share (RM)	<u>1.33</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 31 DECEMBER 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	Total RM'000		
At 1 July 2017	3,340,111	10,606,817	(596,577)	1,523,559	14,873,910	8,051,734	22,925,644
Profit for the period	-	268,990	-	-	268,990	335,485	604,475
Other comprehensive income/(loss)	-	-	-	(211,972)	(211,972)	(286,255)	(498,227)
Total comprehensive income/(loss) for the period	-	268,990	-	(211,972)	57,018	49,230	106,248
Changes in composition of the Group	-	(141,633)	-	-	(141,633)	137,158	(4,475)
Dividend paid	-	(526,761)	-	-	(526,761)	(408,727)	(935,488)
Purchase of treasury shares	-	-	(1)	-	(1)	-	(1)
Share dividend	-	(334,881)	334,881	-	-	-	-
Share option lapsed by subsidiary	-	216	-	(116)	100	-	100
At 31 December 2017	3,340,111	9,872,748	(261,697)	1,311,471	14,262,633	7,829,395	22,092,028

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 31 DECEMBER 2016**

Group	Attributable to Owners of the Parent						Non-Controlling interests	Total equity
	Share capital	Share premium	Retained profits	Treasury shares	Other reserves	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	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	-	-	298,022	-	-	298,022	274,089	572,111
Other comprehensive income	-	-	-	-	706,624	706,624	700,761	1,407,385
Total comprehensive income for the period	-	-	298,022	-	706,624	1,004,646	974,850	1,979,496
Changes in composition of the Group	-	-	(168,911)	-	-	(168,911)	225,049	56,138
Dividend paid	-	-	(1,000,031)	-	-	(1,000,031)	(559,079)	(1,559,110)
Issue of share capital	11,657	179,867	-	-	-	191,524	-	191,524
Share option lapsed by subsidiary	-	-	143	-	(77)	66	-	66
At 31 December 2016	1,091,056	2,249,055	10,353,060	(596,575)	1,534,177	14,630,773	8,049,418	22,680,191

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 31 DECEMBER 2017**

	<b>6 MONTHS ENDED</b>	
	<b>31.12.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	835,691	748,307
Adjustment for :-		
Adjustment on fair value of investment properties	-	39,173
Allowance for impairment of inventories	1,825	693
Amortisation of deferred income	(4,527)	(1,568)
Amortisation of grants and contributions	(11,479)	(8,621)
Amortisation of other intangible assets	26,776	39,908
Depreciation	760,140	723,380
Dividend income	(4,253)	(3,086)
Fair value changes of derivatives	(6,988)	(9,502)
Fair value changes of investments	(4,006)	-
Gain on disposal of investments	-	(31,627)
Gain on disposal of property, plant and equipment	(14,526)	(6,838)
Impairment losses	41,055	60,538
Interest expense	821,837	621,926
Interest income	(146,910)	(110,996)
Property, plant and equipment written off	21,649	28,170
Provision for post-employment benefit	33,829	25,790
Provision for liabilities and charges	641	-
Share of results of associated companies and joint ventures	(197,641)	(187,901)
Unrealised (gain)/loss on foreign exchange	(41,971)	41,698
Other non cash items	(3,082)	(3,330)
<b>Operating profit before changes in working capital</b>	<b>2,108,060</b>	<b>1,966,114</b>

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 31 DECEMBER 2017 - continued**

	<b>6 MONTHS ENDED</b>	
	<b>31.12.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Changes in working capital:-</b>		
Inventories	14,673	651
Property development costs	(41,045)	(48,264)
Receivables, deposits and prepayments	(489,227)	(367,253)
Payables and accrued expenses	42,342	(423,481)
Related parties balances	14,015	(10,917)
<b>Cash generated from operations</b>	<b>1,648,818</b>	<b>1,116,850</b>
Dividend received	210,134	181,338
Interest paid	(746,342)	(621,051)
Interest received	149,779	86,674
Payment to a retirement benefits scheme	(23,401)	(28,960)
Income tax paid	(187,792)	(229,345)
<b>Net cash from operating activities</b>	<b>1,051,196</b>	<b>505,506</b>
<b>Cash flows from investing activities</b>		
Acquisition of subsidiaries	(19,600)	(394,156)
Acquisition of associated companies	(442)	(17,170)
Development expenditure incurred	(41,604)	(54,657)
Grants received in respect of infrastructure assets	42,812	23,221
Proceeds from disposal of property, plant & equipment	17,803	7,056
Proceeds from disposal of investments	755,004	9,367
Purchase of investment properties	(37,816)	(5,555)
Purchase of property, plant & equipment	(891,042)	(516,966)
Purchase of intangible assets	(9,465)	(21,699)
Purchase of investments	(650,228)	(216,957)
Shareholder loans	(18,954)	-
<b>Net cash used in investing activities</b>	<b>(853,532)</b>	<b>(1,187,516)</b>

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 31 DECEMBER 2017 - continued**

	<b>6 MONTHS ENDED</b>	
	<b>31.12.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(526,761)	(1,000,031)
Dividend paid to non-controlling interests by subsidiaries	(408,727)	(559,079)
Repurchase of own shares by the company (at net)	(1)	-
Repurchase of subsidiaries' shares by subsidiaries	(1)	-
Proceeds from borrowings	8,423,324	1,618,053
Proceeds from issue of shares	-	191,524
Proceeds from issue of shares in subsidiaries to non-controlling interests	14,905	446,584
Repayment of borrowings	(8,571,206)	(515,752)
<b>Net cash (used in)/from financing activities</b>	<u>(1,068,467)</u>	<u>181,299</u>
Net changes in cash and cash equivalents	(870,803)	(500,711)
Effects of exchange rate changes	(313,849)	485,187
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>12,132,186</u></u>	<u><u>13,663,906</u></u>
<b>Cash and cash equivalent comprise :-</b>		
Fixed deposit with licensed bank	11,320,730	12,614,638
Cash and bank balances	819,891	1,049,393
Bank overdraft	(8,435)	(125)
	<u><u>12,132,186</u></u>	<u><u>13,663,906</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 and period to date, 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.

During the current financial quarter and period to date, a total of 210,696,721 treasury shares amounting RM334,881,368 were distributed as share dividend on 9 November 2017 to the shareholders on the basis of one (1) treasury share for every fifty (50) ordinary shares held as at 26 October 2017.

As at 31 December 2017, the number of treasury shares held was 164,652,418 ordinary shares.

**A6. Dividend paid**

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

	RM'000
In respect of the financial year ended 30 June 2017:-	
An interim single tier dividend of 5 sen per ordinary share paid on 10 November 2017	<u>526,761</u>

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**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 31 December 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	61,180	3,049	1,370,286	549,714	209,710	550,755	5,084,364	-	7,829,058
Inter-segment revenue	74,967	39,759	5,174	115,164	170,944	7,099	8,203	(421,310)	-
Total revenue	136,147	42,808	1,375,460	664,878	380,654	557,854	5,092,567	(421,310)	7,829,058
Segment results									
Profit from operations	11,934	2,475	169,312	419,453	241,498	10,993	604,222	-	1,459,887
Finance costs									(821,837)
Share of profit of associated companies & joint ventures									638,050
Profit before taxation									197,641
									835,691

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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 31 December 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
		Information technology RM'000	Information technology & e-commerce related business RM'000	Information technology & e-commerce related business RM'000	Information technology & e-commerce related business RM'000							
External revenue	53,583	2,252	1,200,712	536,867	156,083	454,256	4,710,472	-	7,114,225			
Inter-segment revenue	227,716	40,704	10,835	99,001	171,944	6,144	8,838	(565,182)	-			
Total revenue	281,299	42,956	1,211,547	635,868	328,027	460,400	4,719,310	(565,182)	7,114,225			
Segment results												
Profit from operations	20,804	1,301	196,641	220,011	142,193	56,225	545,157	-	1,182,332			
Finance costs									(621,926)			
Share of profit of associated companies & joint ventures									560,406			
Profit before taxation									187,901			
									748,307			



## **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 31 December 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.
- 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.

### **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 19 January 2018, Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd (“SPYTL”), a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary known as YTL High Speed Rail Sdn Bhd (“YTL HSR”) with an issued share capital of RM1.00 comprising of 1 ordinary share. YTL HSR will be principally to undertake, construct, maintain, improve, develop, implement, control, execute and manage any railway project. On 5 February 2018, YTL HSR changed its name to YTL THP JV Sdn Bhd. It became a 70% owned subsidiary of SPYTL following the subscription of 69 new ordinary shares by SPYTL and 30 new ordinary shares by TH Properties Sdn Bhd on 10 February 2018.
- On 25 January 2018, YTL Cement HK has incorporated a wholly-owned subsidiary in the People’s Republic of China, known as Beijing Dama Sinosource Trading Co., Ltd. (“Beijing Dama Sinosource”) to undertake the business of trading of mechanical, electrical equipment and parts, and technology transfer, development and consultancy. Beijing Dama Sinosource 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		Variance		Cumulative Quarter		Variance	
	31.12.2017	31.12.2016	%	+/-	31.12.2017	31.12.2016	%	+/-
	RM'000	RM'000			RM'000	RM'000		
<b>Revenue</b>								
Construction	28,526	31,141	-8%		61,180	53,583	14%	
Information technology & e-commerce related business	1,550	1,373	13%		3,049	2,252	35%	
Cement Manufacturing & trading	732,542	624,938	17%		1,370,286	1,200,712	14%	
Property investment & development	175,400	270,010	-35%		549,714	536,867	2%	
Management services & others	95,909	46,833	105%		209,710	156,083	34%	
Hotels	285,396	233,709	22%		550,755	454,256	21%	
Utilities	2,579,873	2,414,071	7%		5,084,364	4,710,472	8%	
	<u>3,899,196</u>	<u>3,622,075</u>			<u>7,829,058</u>	<u>7,114,225</u>		
<b>Profit before taxation</b>								
Construction	11,467	12,013	-5%		11,930	20,800	-43%	
Information technology & e-commerce related business	1,296	1,149	13%		2,475	1,301	90%	
Cement Manufacturing & trading	95,776	96,423	-1%		140,267	171,368	-18%	
Property investment & development	95,378	78,350	22%		285,796	116,731	145%	
Management services & others	(58,269)	(73,774)	-21%		(81,929)	(65,239)	26%	
Hotels	6,532	34,552	-81%		5,192	48,241	-89%	
Utilities	243,423	253,299	-4%		471,960	455,105	4%	
	<u>395,603</u>	<u>402,012</u>			<u>835,691</u>	<u>748,307</u>		

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For the current quarter under review, the Group recorded revenue of RM3,899.2 million as compared to RM3,622.1 million recorded in the preceding year corresponding quarter. The Group profit before taxation for the current financial quarter was RM395.6 million, a decrease of RM6.4 million or 1.6% as compared to a profit of RM402.0 million recorded in the preceding year corresponding quarter.

For the six months under review, the Group revenue and profit before taxation increased to RM7,829.1 million and RM835.7 million, respectively representing an increase of 10.0% and 11.7%, respectively when compared to the preceding year corresponding period.

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

Construction

For the current financial quarter under review, the decrease in revenue and profit before taxation was mainly due to lower site progress recorded.

For the six months under review, the increase in revenue was principally due to better site progress whilst the decrease in profit before tax was mainly due to lower construction margin recorded.

Information technology & e-commerce related business

For the current financial quarter/six months under review, the increase in revenue and profit before taxation was mainly due to higher digital media advertising recorded from content and digital media division and higher interest income earned on cash deposits.

Cement Manufacturing & trading

For the current financial quarter/six months under review, the increase in revenue was mainly attributable to higher sales volume from the Cement and Quarry division. Despite the improved revenue, the decrease in profit before taxation was mainly due to increase in production cost and competitive pricing in domestic market.

Property investment & development

For the current financial quarter under review, the decrease in revenue was mainly attributable to completion of Midfields 2 project undertaken by SPYTL and lower progress billings from The Fennel, Dahlia and U-Thant projects undertaken by Sentul Raya Sdn. Bhd., PYP Sendirian Berhad and Budaya Bersatu Sdn. Bhd., respectively as these projects are nearing completion. However, profit before tax increased mainly due to a higher unrealised foreign exchange gain on the Australian Dollar denominated term loan recorded by YTL Hospitality REIT.

For the six months under review, revenue and profit before tax increased, primarily due to the land disposal by Udapakat Bina Sdn. Bhd. a wholly-owned subsidiary of YTL Land & Development Berhad for the Mass Rapid Transit project and the unrealised foreign exchange gain as mentioned above.

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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 improved mainly due to an increase in associated companies' profit recorded by YTL Power International Berhad Group.

For the six months under review, increase in revenue was mainly contributed by higher interest income whilst the loss before taxation was mainly due to higher finance costs.

Hotels

For the current financial quarter/six months under review, revenue increase was mainly contributed by The Hotel Stripes in Kuala Lumpur, Sydney Harbour Marriott Hotel in Australia and 3 newly acquired Hotels in United Kingdom. However, the decrease in profit before taxation was mainly due to the unrealised foreign exchange loss on inter-company balances following the strengthening of Ringgit Malaysia against Japanese Yen, 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.

Utilities

For the current financial quarter under review, the increase in revenue was mainly contributed by Power generation (Contracted) division's commencement of its short-term capacity generation on 1 September 2017 whilst the decrease in profit before taxation was mainly due to lower margin recorded for both electricity sales and oil tank leasing, and coupled with higher finance costs recorded by Multi utilities business division.

For the six months under review, the increase in revenue and profit before taxation was principally attributable to the better performance in Power generation (Contracted) division as mentioned above and lower operating cost following the launch of the nationwide 4G LTE services registered by Mobile broadband division in the preceding year.

The utilities segment contributes to 64.9% and 56.5% of the Group revenue and profit before taxation, respectively.

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Notes – continued

**B2. Comparison with Preceding Quarter**

	<b>Current Quarter 31.12.2017 RM'000</b>	<b>Preceding Quarter 30.09.2017 RM'000</b>	<b>Variance % +/-</b>
Revenue	3,899,196	3,929,862	-1%
Profit before taxation	395,603	440,088	-10%
Profit attributable to owners of the parent	126,093	142,897	-12%

The decrease in revenue and profit before taxation was principally attributable to the land disposal for the Mass Rapid Transit project as set out under Note B1 recorded during the preceding financial quarter.

**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.

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.

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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.

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.

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**B5. Profit Forecast**

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

**B6. Profit for the period**

	<b>Current Quarter 31.12.2017 RM'000</b>	<b>Year To Date 31.12.2017 RM'000</b>
<b>Profit for the period is stated after charging/(crediting):</b>		
Allowance for impairment of associate	442	442
Allowance for impairment of inventories	1,546	1,825
Allowance for impairment of receivables - net of reversal	18,061	40,563
Amortisation of deferred income	(2,317)	(4,527)
Amortisation of grants and contributions	(6,920)	(11,479)
Amortisation of other intangible assets	11,478	26,776
Depreciation of property, plant and equipment	382,565	760,140
Dividend income	(3,436)	(4,253)
Fair value changes of derivatives	(2,513)	(6,988)
Fair value changes of investments	(530)	(4,006)
Interest expense	401,918	821,837
Interest income	(16,426)	(32,858)
Gain on foreign exchange	(15,592)	(45,792)
Net gain on disposal of property, plant and equipment	(11,910)	(14,526)
Provision for liabilities and charges	82	641
	<u>82</u>	<u>641</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:-

	<b>Current Quarter 31.12.2017 RM'000</b>	<b>Year To Date 31.12.2017 RM'000</b>
In respect of current period		
- Income tax	92,287	217,308
- Deferred tax	8,397	13,908
	<u>100,684</u>	<u>231,216</u>

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

**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 31 December 2017 are as follows:-

	<b>Secured</b> <b>RM'000</b>	<b>Unsecured</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Current</b>			
Bankers' acceptances	-	3,563	3,563
Bank overdrafts	-	8,434	8,434
Finance lease liabilities	90,883	30,413	121,296
ICULS *	-	15,557	15,557
Revolving credit	-	2,399,646	2,399,646
Term loans	9,500	375,430	384,930
	<u>100,383</u>	<u>2,833,043</u>	<u>2,933,426</u>
<b>Non-current</b>			
Finance lease liabilities	43,855	8,772	52,627
ICULS *	-	10,841	10,841
Term loans	3,132,211	15,616,783	18,748,994
Bonds	328,196	20,120,778	20,448,974
	<u>3,504,262</u>	<u>35,757,174</u>	<u>39,261,436</u>
<b>Total borrowings</b>	<b><u>3,604,645</u></b>	<b><u>38,590,217</u></b>	<b><u>42,194,862</u></b>

\* Irredeemable Convertible Unsecured Loan Stock ("ICULS")

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

	Foreign Currency '000	RM Equivalents '000
US Dollar	896,466	3,641,445
Singapore Dollar	3,275,205	9,954,003
Sterling Pound	2,135,642	11,673,419
Japanese Yen	16,070,112	578,845
Thai Baht	1,501,521	186,690
Australia Dollar	529,384	1,675,977
	<u>24,408,330</u>	<u>27,710,379</u>

Save for the borrowings of RM156.9 million, US Dollar 250.0 million, Sterling Pound 80.3 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 and Fair Value hierarchy**

(a) Derivatives Financial Instruments

As at 31 December 2017, the Group's outstanding derivatives are as follows:

Type of Derivatives	Contract/Notional Value RM'000	Fair Value RM'000
<b><u>Fuel oil swaps</u></b>		
- Less than 1 year	1,014,645	1,105,894
- 1 year to 3 years	176,785	208,835
- More than 3 years	-	-
<b><u>Currency forwards</u></b>		
- Less than 1 year	1,050,202	1,032,922
- 1 year to 3 years	251,790	240,775
- More than 3 years	-	-
<b><u>Interest rate swap contracts</u></b>		
- 1 year to 5 years	1,022,639	(12,091)

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 arising from fair value changes of financial liabilities for the current financial period ended 31 December 2017 are as follows:

Type of financial liabilities	Basis of fair value measurement	Reason for the gains	Fair value gains	
			Current quarter 31.12.2017 RM'000	Current year to date 31.12.2017 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 favour of the Group	183	1,159
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 the Group	5,537	12,831
Total			5,720	13,990

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**Notes: - continued**

(c) Fair Value Hierarchy

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

- (a) Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- (c) Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	Level 1 RM'000	Level 2 RM'000	Total RM'000
<b>31 December 2017</b>			
<b>Assets</b>			
Financial assets at fair value			
through profit and loss			
- Trading derivatives	-	11,979	11,979
- Income funds	-	2,875,954	2,875,954
- Equity investments	-	3,956	3,956
Derivative used for hedging	-	166,348	166,348
Available-for-sale financial assets	74,312	44	74,356
<b>Total assets</b>	<b>74,312</b>	<b>3,058,281</b>	<b>3,132,593</b>
<b>Liabilities</b>			
Financial liabilities at fair value			
through profit and loss			
- Trading derivatives	-	6,203	6,203
Derivative used for hedging	-	94,006	94,006
<b>Total liabilities</b>	<b>-</b>	<b>100,209</b>	<b>100,209</b>

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**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 trial took place in November 2017, and parties are currently in the process of filing closing submissions. It is anticipated that the court will deliver its decision sometime in the middle of 2018.

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

**B12. Dividend**

No dividend has been declared for the current financial quarter.

**B13. Earnings Per Share**

**i) Basic earnings per share**

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

	<b>Current Year Quarter 31.12.2017</b>	<b>Preceding Year Corresponding Quarter 31.12.2016</b>
Profit attributable to owners of the parent (RM'000)	126,093	147,692
<i>Weighted average number of ordinary shares ('000)</i>		
Weighted average number of ordinary shares ('000)	10,910,559	10,803,127
Less: Shares repurchased	(375,348)	(375,347)
	<u>10,535,211</u>	<u>10,427,780</u>
Basic earnings per share (sen)	1.20	1.42

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

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**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:-

	<b>Current Year Quarter 31.12.2017</b>	<b>Preceding Year Corresponding Quarter 31.12.2016</b>
Profit attributable to owners of the parent (RM'000)	126,093	147,692
<i>Weighted average number of ordinary shares - diluted ('000)</i>		
Weighted average number of ordinary shares-basic	10,535,211	10,427,780
Effect of unexercised employees share option scheme ("ESOS")	-	-
	<u>10,535,211</u>	<u>10,427,780</u>
Diluted earnings per share (sen)	1.20	1.42

*Total cash expected to be received in the event of an exercise of all outstanding ESOS options is RM223.221 million (2016: RM251.361 million). Accordingly, the Net Asset ("NA") on a proforma basis will increase by RM223.221 million (2016: RM251.361 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: 23 February 2018