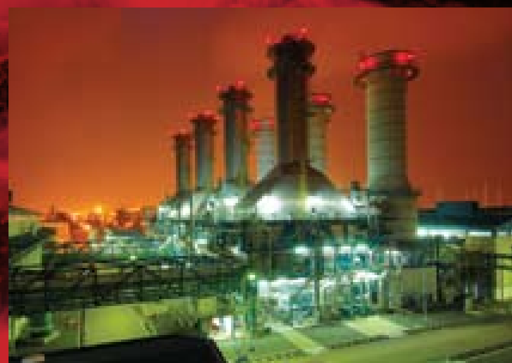
YTL POWER INTERNATIONAL BERHAD 406684-H

the journey continues...



annual report 2009

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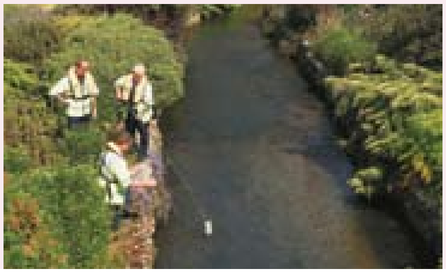
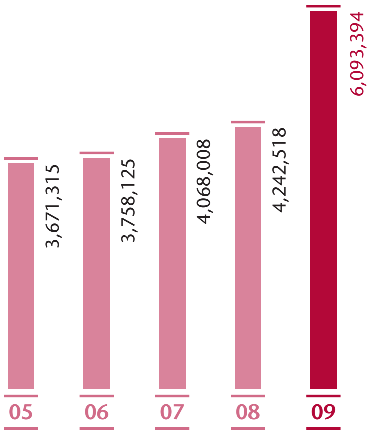


annual report **2009**

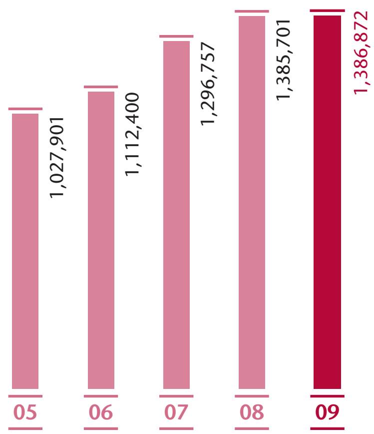
Financial Highlights

	2009	2008	2007	2006	2005
Revenue (RM'000)	**6,093,394**	4,242,518	4,068,008	3,758,125	3,671,315
Profit Before Taxation (RM'000)	**1,386,872**	1,385,701	1,296,757	1,112,400	1,027,901
Profit After Taxation (RM'000)	**646,593**	1,038,846	1,175,649	874,483	742,178
Profit for the Year Attributable to Shareholders of the Company (RM'000)	**646,605**	1,038,846	1,175,649	874,483	742,178
Shareholders' Funds (RM'000)	**6,101,925**	6,400,395	6,033,071	5,728,957	5,229,233
Earnings per Share (Sen)	**11.35**	20.00	23.53	17.89	15.84
Dividend per Share (Sen)	**15.75**	12.50	17.50	10.00	10.00
Total Assets (RM'000)	**34,689,180**	27,826,876	24,002,890	22,244,265	21,905,572
Net Assets per Share (RM)	**1.04**	1.21	1.18	1.16	1.08

REVENUE
RM'000

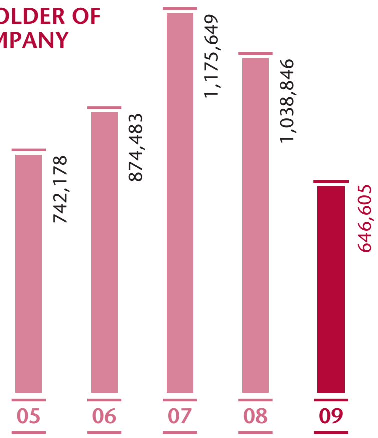


PROFIT BEFORE TAXATION
RM'000

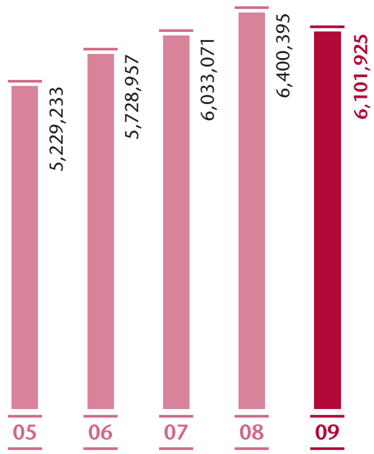


PROFIT AFTER TAXATION
RM'000

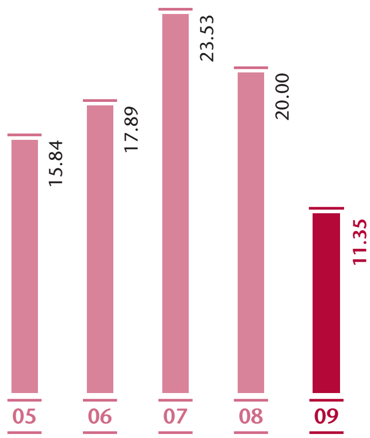
PROFIT FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDER OF THE COMPANY
RM'000



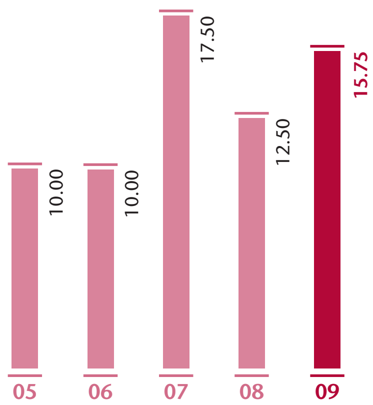
SHAREHOLDERS' FUNDS
RM'000



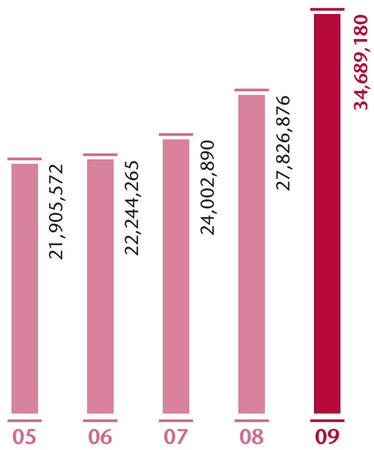
EARNINGS PER SHARE
SEN



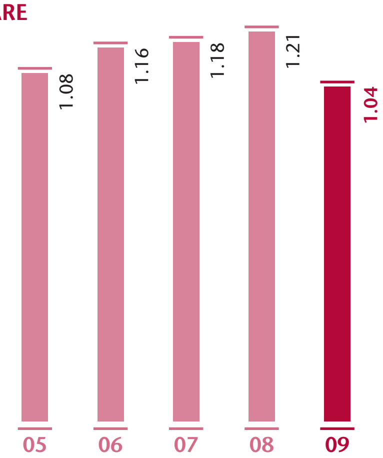
DIVIDEND PER SHARE
SEN



TOTAL ASSETS
RM'000



NET ASSETS PER SHARE
RM



Chairman's Statement

for the financial year ended 30 June 2009

On behalf of the Board of Directors of YTL Power International Berhad ("YTL Power" or the "Company"), I have the pleasure of presenting to you the Annual Report and the audited financial statements of the Company and its subsidiaries ("Group") for the financial year ended 30 June 2009.

OVERVIEW

In March 2009, YTL Power acquired a 100% equity interest in PowerSeraya Limited ("PowerSeraya") in Singapore for a purchase consideration of SGD3.6 billion. With a total licensed capacity of 3,100 megawatts ("MW"), PowerSeraya has approximately 25% of Singapore's total licensed generation capacity, and also operates oil trading and multi-utility businesses.

TAN SRI DATO' SERI (DR) YEOH TIONG LAY
Executive Chairman

YTL Power, as an established industry player with a strong track record in power investments, will be able to utilise its expertise and experience to add value to PowerSeraya. The addition of PowerSeraya to the Group gives YTL Power significant participation in the Singapore energy market and will enable the Group to grow its utility business in the region.

Global gross domestic product (GDP) growth stood at an approximately 3.4% for the 2008 calendar year, compared to 5.2% in 2007, sustained largely by growth in the first half of 2008. In the second half of 2008, the unprecedented developments in the international financial markets triggered a widespread loss of confidence that continues to manifest itself in ongoing volatility in economies around the globe. On the Malaysian front, after recording GDP growth of 4.6% in 2008 (compared to 6.2% in 2007), the domestic economy contracted by an estimated 5.1% in the first half of 2009 *(source: Ministry of Finance quarterly updates; Bank Negara Malaysia quarterly bulletins and annual reports).*

The Group's diversified income streams continue to provide a buffer against ongoing economic volatility both in Malaysia and abroad. YTL Power's concentration on the ownership and management of regulated utilities operating under long-term concessions underpins the Group's ability to continue to perform well even in times of global economic uncertainty. These businesses now encompass power generation in both contracted and merchant markets in Malaysia, Singapore and Indonesia, power transmission in Australia, the provision of water and sewerage services in the United Kingdom ("UK"), and power plant operation and maintenance ("O&M").

YTL Power's foreign operations remain the most significant contributors to the Group's earnings, and the addition of PowerSeraya to the fold during the year under review has reinforced the strength and diversity of the Group's earnings base. The strength of YTL Power's financial profile is driven by a focus on stable and efficient operations, and the steady, long-term returns generated from its core utility assets. This has enabled the Group to deliver good results and acquisition-driven growth for the financial year under review.

FINANCIAL PERFORMANCE

The Group's revenue grew RM1,850.9 million to RM6,093.4 million for the financial year ended 30 June 2009 compared to RM4,242.5 million for the previous financial year ended 30 June 2008, due principally to the consolidation of approximately four months' results from PowerSeraya, which YTL Power acquired on 6 March 2009. Profit before taxation stood at RM1,386.9 million for the financial year, with PowerSeraya contributing RM197.4 million in profit before tax.

Meanwhile, profit for the financial year decreased to RM646.6 million for the financial year ended 30 June 2009 over RM1,038.8 million last year. The decrease resulted from a deferred tax arising from a change in legislation of RM442.5 million relating to Wessex Water Limited ("Wessex Water"), following the abolition of industrial building allowances under the UK Finance Act 2008. The said deferred tax does not have an immediate effect on the Group's cashflow and was recognised in compliance with the application of Accounting Standard FRS 112 Income Taxes.

Nevertheless, operational performance remained robust for the financial year ended 30 June 2009, with the Group's utility businesses comprising the Paka and Pasir Gudang power stations in Malaysia, Wessex Water in the UK, P.T. Jawa Power (a 35%-owned associate company in Indonesia) and PowerSeraya in Singapore, continuing to turn in strong performances.

For the financial year ended 30 June 2009, YTL Power's operations in Malaysia contributed 18.3% of revenue, whilst revenue contribution from overseas operations increased to 81.7% compared to 71.7% last year, with PowerSeraya contributing substantially to the increase in revenue from overseas operations.

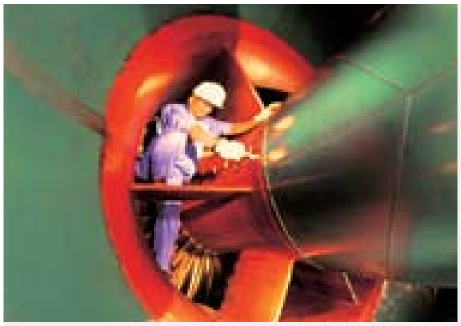
DIVIDENDS

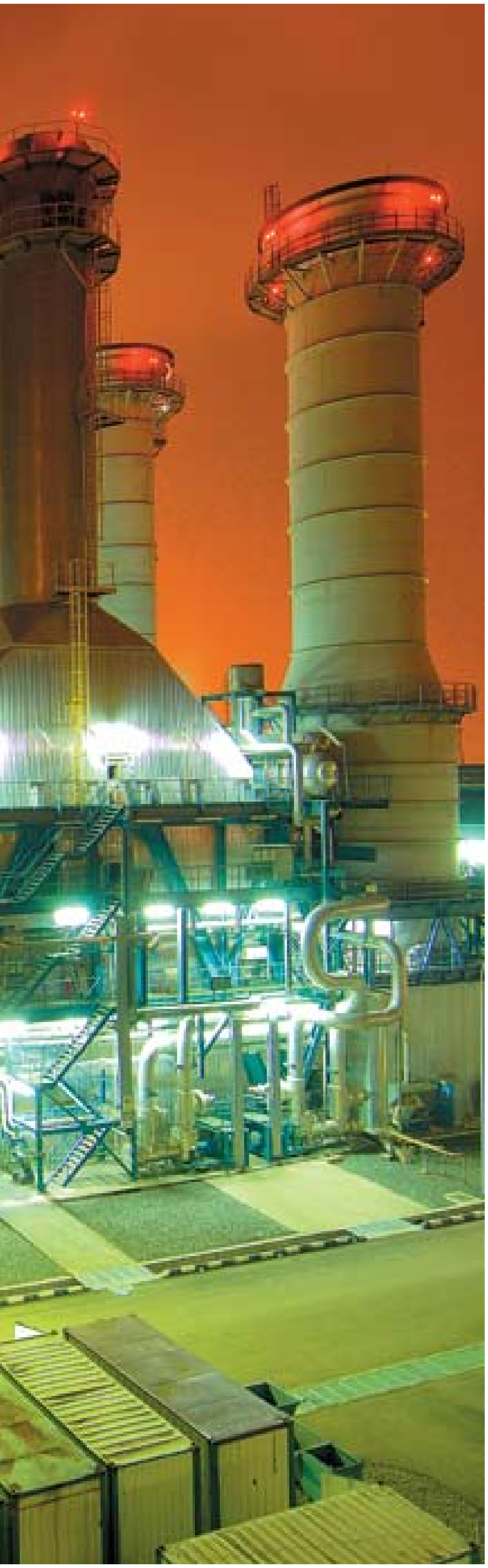
The Board of Directors of YTL Power is pleased to recommend for shareholders' approval, a single-tier final dividend of 3.75% for the financial year ended 30 June 2009.

This dividend represents the 12th consecutive year that YTL Power has declared dividends to shareholders since listing on the Main Market of Bursa Malaysia Securities Berhad in 1997, and is well in line with the Group's policy of creating value for shareholders through a sustainable dividend policy which delivers dividend yields that are much higher than prevailing interest rates.

YTL Power maintained its dividend policy for the financial year ended 30 June 2009, with the distribution of a 3% tax-exempt and 6% gross dividend in the first quarter of the financial year, followed by 2 tax-exempt interim dividends of 7.5% each and a share dividend distribution of 1 treasury share for every 40 existing ordinary shares of RM0.50 each held in YTL Power, which was completed in September 2008.

Chairman's Statement
for the financial year ended 30 June 2009



SIGNIFICANT CORPORATE MATTERS

Corporate Developments

- On 2 December 2008, YTL Power together with Sabre Energy Industries Pte Limited (which changed its name to YTL PowerSeraya Pte Limited on 7 April 2009), entered into a share purchase agreement with Temasek Holdings (Private) Limited to acquire 884,971,148 ordinary shares representing a 100% equity interest in PowerSeraya for a purchase consideration of SGD3.6 billion. The acquisition was completed on 6 March 2009.

Status of Utilisation of Proceeds Raised from Corporate Proposals

- The net proceeds received from the issue of the USD250 Million Zero Coupon Guaranteed Exchangeable Bonds due 2010 by YTL Power Finance (Cayman) Limited, a wholly-owned subsidiary of YTL Power, are currently placed under fixed deposits pending investment in utility assets.

- The net proceeds from the issue of the RM2.2 Billion 3% Non-Guaranteed Redeemable Bonds due 2013 with detachable 2008/2018 Warrants were utilised to partially fund the acquisition of PowerSeraya.

REVIEW OF OPERATIONS

POWER GENERATION & TRANSMISSION

The Group's power generation and transmission activities encompass two power stations in Malaysia owned by YTL Power Generation Sdn Bhd ("YTLPG"), a wholly-owned subsidiary of YTL Power, a 100% interest in PowerSeraya in Singapore acquired during the year under review, a 35% stake in P.T. Jawa Power ("Jawa Power") in Indonesia and an indirect investment of 33.5% in ElectraNet Pty Ltd ("ElectraNet") in Australia.

YTLPG

The Group's Malaysian power stations registered average station availability of 96.4% for the year under review, compared to 97.8% last year. Paka Power Station recorded average availability of 96.2% for the year ended 30 June 2009, compared to 96.7% last year, whilst Pasir Gudang Power Station registered average availability of 96.8% this year compared to 99.0% last year. Major inspections of two steam turbines at Paka, ST10 and ST20, were carried out as they had reached the 100,000 operating hours threshold, whilst minor inspections were carried out on three gas turbines at Paka and two at Pasir Gudang during the year.

Located in Paka, Terengganu, and Pasir Gudang, Johor, YTLPG's two combined-cycle, gas-fired power stations have a total generating capacity of 1,212 MW – 808 MW at Paka Power Station and 404 MW at Pasir Gudang Power Station. YTLPG has a 21-year power purchase agreement with Tenaga Nasional Berhad, which is effective until 2015. O&M for the Paka and Pasir Gudang power stations continues to be undertaken by YTL Power Services Sdn Bhd, a wholly-owned subsidiary of YTL Power's parent company, YTL Corporation Berhad, under an O&M agreement entered into in December 2001.

PowerSeraya

PowerSeraya's activities encompass a large portion of the value chain involved in the generation of electricity. These include the generation and sale of electricity to both wholesale and retail markets, as well as oil trading and oil tank leasing through its subsidiaries.

PowerSeraya has a generation market share of approximately 25% of the Singapore market and owns generation assets with a licensed capacity of 3,100 MW, comprising oil-fired steam turbines, gas-fired combined cycle plants and diesel-fired open cycle gas turbine plants. PowerSeraya is also in the process of constructing 758 MW of new gas-fired co-generation combined cycle plants, which are expected to be operational in 2010.

Chairman's Statement

for the financial year ended 30 June 2009

Singapore operates a liberalised electricity market under a well established regulatory framework. Electricity generated from the various generation companies is sold into the Pool, a competitive wholesale market operated and administered by the Energy Market Company Pte Ltd. Electricity is sold to retail customers by retail energy suppliers, and Seraya Energy Pte Ltd, a wholly owned subsidiary of PowerSeraya, is a leading supplier in the country.

PowerSeraya is well on track on its growth path to become an integrated energy company based in Singapore. With a diversified energy portfolio – which includes a 10,000 m^3 Seawater Reverse Osmosis Desalination Plant, as well as the new 758 MW Co-Generation Combined Cycle Plant expected to come on-stream in 2010 – the company is well poised to strengthen and expand its core multi-utilities business to offer competitive bundled sales that include electricity, steam and water.

While the economic downturn which started towards the end of 2008 has slowed down the demand for electricity across various industries, the strategies undertaken by PowerSeraya have allowed it to secure a steady share of the generation market in Singapore.

Improvements made to the gas reception facilities and investment of SGD800 million in the new 758 MW Co-Generation Combined Cycle Plant will place greater emphasis on the use of natural gas as a fuel source for power generation, in addition to generating additional revenue streams. The company successfully entered the Singapore gas market last year and gained experience as a gas shipper to further its capabilities in this sector. PowerSeraya is keen to explore the purchase of Liquefied Natural gas ("LNG") when the Singapore government completes the LNG terminal in 2013.

Additionally, the recent completion of two new oil blending tanks will enhance the capability of the physical oil trading arm of PowerSeraya. Its strategic location on Jurong Island in Singapore also allows the company to make use of its fuel-related assets such as tank farms, pipelines and deep water jetties to boost its whole energy value chain. PowerSeraya's fuel oil testing laboratory received the ISO/IEC 17025:2005 laboratory accreditation in June 2008, a testament to its proficiency and expertise in oil testing and calibrations.

On the retail front, the company kept its focus on ensuring good customer relationships, constantly seeking innovative solutions to meet the needs of its customers. Several initiatives were launched during the year under review to enhance the customer experience within the SEnergy portal, a retail billing system and customer e-portal. The portal had added customised features to allow customers to better analyse their electricity consumption patterns for up to six months, and paperless billing has also been introduced to customers through the e-portal with SMS or email notifications.

Jawa Power

In Indonesia, Jawa Power continues to operate at optimal levels to meet Indonesia's demand for electricity. For its financial year ended 31 December 2008, Jawa Power posted another year of strong operational performance with average availability of 90.6%, well in excess of the 83% rate contracted under its power purchase agreement. The station generated 8,685 gigawatt hours ("GWh") of electricity compared to 9,162 GWh last year due to lower despatch by the national utility, P.T. Perusahaan Listrik Negara ("PLN"). For the six months ended 30 June 2009, the plant posted an availability of 89.5%.

Jawa Power is the owner of a 1,220 MW coal-fired power station consisting of two electricity generation units with a net installed capacity of 610 MW each. The plant is located at the Paiton Power Generation Complex on Indonesia's most developed and populated island, Java, and supplies power to PLN under a 30-year power purchase agreement. O&M for Jawa Power continues to be carried out by P.T. YTL Jawa Timur ("Jawa Timur"), a wholly-owned subsidiary of YTL Power, under a 30-year agreement.

Chairman's Statement
for the financial year ended 30 June 2009

ElectraNet

In Australia, ElectraNet continued to perform well during the year under review, maintaining transmission circuit availability in excess of 99%. ElectraNet is a regulated transmission network service provider in Australia's National Electricity Market ("NEM") and owns South Australia's high voltage electricity transmission network, which transports electricity from electricity generators to receiving end-users across the state. ElectraNet's network covers approximately 200,000 square kilometres of South Australia via more than 5,700 circuit kilometres of transmission lines and 76 high voltage substations. The company also provides the important network link from South Australia to the NEM via two regulated interconnectors, one of which is owned by ElectraNet. YTL Power also has a 33.5% investment in ElectraNet Transmission Services Pty Limited, which manages ElectraNet's transmission assets.

ElectraNet is regulated by the Australian Energy Regulator (AER) which sets revenue caps based on the company's expected capital expenditure requirements for a five-year regulatory period. The current revenue cap became effective on 1 July 2008 and is valid for a period of five years until 30 June 2013.

WATER & SEWERAGE OPERATIONS

The Group's water and sewerage operations are carried out by its 100%-owned subsidiary, Wessex Water, in the UK.

Wessex Water

Wessex Water achieved record levels of quality, compliance and customer service, achieving its highest ever score of 98% in the annual service league tables complied by Ofwat, the UK water industry regulator. Over its past four regulatory years, which end on 31 March of each year, Wessex Water has been the UK's most consistent top performing water and sewerage company, and the most efficient. The company also became the first UK utility to be awarded the UK government's Customer Service Excellence award this year, and topped Ofwat's telephone satisfaction survey.

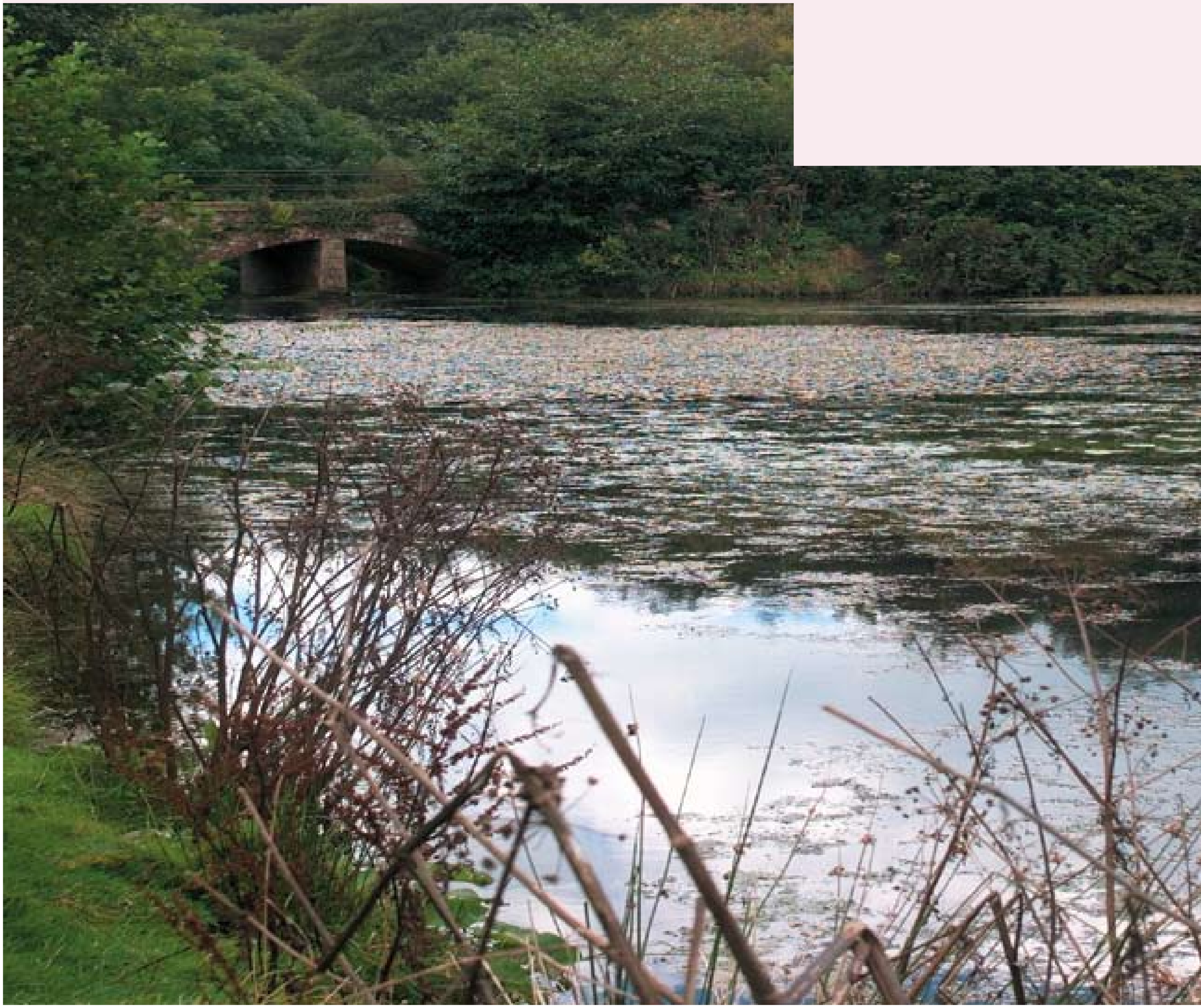
Wessex Water achieved these targets despite an increasingly challenging operating environment which has seen a combination of volatile retail, commodity and capital price inflation along with falling demand from business and industry, and rising bad debts amongst customers. The company continued to improve the resilience of its network, reduced the number of customers served by single sources of supply and further reduced the number of properties at risk of sewage flooding.

Wessex Water's innovative approach to delivering its capital investment programme and controlling operating costs has enabled it to continue to outperform its regulatory targets and pass these efficiency-generated savings on to customers. Operating under a stringent set of national and European environmental directives and regulations, Wessex Water's key long-term goal is to become a sustainable water company. Its comprehensive programme to achieve this goal has ensured that all compliance rates for drinking water, sewage treatment and bathing water have not only been met but are amongst the best in the UK.

Wessex Water provides water services to 1.3 million customers and sewerage facilities to 2.6 million customers over an area of approximately 10,000 square kilometres in the south west of England and operates under a rolling 25-year licence granted by the UK Government. The company undertakes a complex set of operations, from collecting and treating raw water, and storing and transporting high quality drinking water to households and businesses all around the region, to collecting, treating and disposing of sewage safely back into the environment.

Chairman's Statement

for the financial year ended 30 June 2009



Wessex Water's regulated asset base ("RAB") increased moderately by 2.7% to £2,171 million (RM12.31 billion, based on the average exchange rate of £1.00 : RM5.67 for the financial year ended 30 June 2009) for its regulatory year ended 31 March 2009, compared to £2,114 million (RM11.99 billion) for its previous regulatory year. As at 30 June 2009, Wessex Water's RAB had grown to approximately £2,179 million (RM12.35 billion).

CORPORATE RESPONSIBILITY & SUSTAINABILITY INITIATIVES

The Group believes that effective corporate responsibility can deliver benefits to its businesses and, in turn, to its shareholders, by enhancing reputation and business trust, risk management performance, relationships with regulators, staff motivation and attraction of talent, customer preference and loyalty, the goodwill of local communities and long-term shareholder value.

Social responsibility and environmental sustainability are key values of the Group and YTL Power places a high priority on acting responsibly in every aspect of its business. The Group is also part of the wider network of the YTL group of companies under the umbrella of its parent company, YTL Corporation Berhad, which has a long-standing commitment to creating successful, profitable and sustainable businesses which, in turn, benefit the surrounding community through the creation of sustained value for shareholders, secure and stable jobs for the Group's employees, support for the arts and culture in Malaysia and contributions to promote education for the benefit of future generations.

The Group's statements on corporate governance and internal control, which elaborate further on its systems and controls, can be found as a separate section in this Annual Report.

Power Generation & Transmission Operations

PowerSeraya was re-certified with ISO 14001 in 2008, reaffirming its commitment to good environmental management practices. The company also reduced its carbon emissions by 5.9% from the previous year. The completion of its 758 MW Co-Generation Combined Cycle Plant will further reduce carbon dioxide emissions by 10% from current levels. Sulphur dioxide emissions were also reduced by 17.5% due to the higher availability and efficiency of the company's Flue Gas Desulphurisation (FGD) unit.

On the water conservation front, PowerSeraya developed and implemented two projects, namely a rainwater recovery system where rainwater is harnessed for chemical washing, and a modified drainage system with wastewater being reused for cooling purposes. The operation of its desalination plant has also reduced the reliance of the company on Singapore's freshwater resources.

Internally, PowerSeraya has invested in virtualisation software to reduce the amount of physical servers required. There are currently 100 virtual servers sitting on ten physical servers which has resulted in energy consumption savings of about 75%, avoiding almost 168 tons of carbon emissions per year.

PowerSeraya continues to pursue its investment in human capital, and ongoing upgrades of the skills of its workforce remain a top priority. The company offers an Employee Sponsorship Scheme for further studies in diplomas, degrees and master programmes, with 29 staff currently on the scheme. In ensuring work-life balance, PowerSeraya has a Vibrancy Committee in place to help organise activities for staff to achieve optimal mental and physical well-being.

As a responsible employer, PowerSeraya is committed to the principles of the Tripartite approach in Singapore and has pledged a phased contribution of SGD350,000 over a period of five years from 2008 at SGD70,000 per year to the Union of Power and Gas and Employees ("UPAGE") in Singapore. The objective of the fund is to aid UPAGE in diversifying and developing new revenue streams, so as to ensure the optimal delivery of membership services in the areas of welfare, leadership development and training.

The company also collaborates with various stakeholders to promote sustainability within the communities in which it operates. It partnered its landlord, Mapletree, in an initiative called the '1 Degree Up Challenge', aimed at encouraging tenants in the same office building to raise their office temperature by 1 degree Celsius on World Environment Day. In addition, PowerSeraya has invested in its adopted Greenridge Secondary School's annual outreach programmes and collaborated with Singapore Polytechnic on a beach cleanup activity during International Coastal Cleanup Day.

During the year under review, employees of PowerSeraya contributed to the disaster relief efforts following the Sichuan Earthquake and Cyclone Nagis, with the company matching these contributions dollar for dollar, resulting in a total donation of SGD18,000. In another initiative by NEMS (the National Energy Market of Singapore), employees took time off to accompany children from Child@Street 11 on a field trip to the Singapore Zoological Gardens. Child@Street 11 is a non-profit organisation dedicated to helping low income and dysfunctional families in educating their children.

Meanwhile, in Indonesia, Jawa Timur and Jawa Power are currently sponsoring the development of two schools in Probolinggo in East Java. The schools are SMP Bhakti Pertiwi, a junior high school which has earned the status "Sekolah Unggulan" or "Ideal School", and SMA Tunas Luhur, a senior high school which was recently inaugurated. Whilst education in senior high school is not compulsory for Indonesian citizens, it is a stepping stone for those interested in pursuing a university education.

Besides sponsoring these schools, the companies also initiated the Annual Science Olympiad for Elementary Schools in Probolinggo, and continued to sponsor ongoing training and seminars for teachers in areas such as teaching methodologies, school management and the implementation of new school curricula, in order to improve the quality of education.

In April 2007, an agreement was signed with Yayasan Tunas Luhur, an education foundation, reflecting the Group's long-term commitment to develop education for the local community. In the coming years, talented graduates will be given scholarships to pursue higher education at the Swiss German University located in Tangerang in Indonesia.

Water & Sewerage Operations

Wessex Water has set an ambitious target of achieving carbon neutrality by 2020 and implementing a thorough carbon management strategy based on the hierarchy of emissions avoidance, energy efficiency and renewables. Measures in place towards this goal at present include upgrades to site control systems to increase energy savings by improving operational practices, investment in generating more power, such as biogas, from sludge digestion activities, controlling leakage, working with farmers to reduce contamination of groundwater by fertilisers and pesticides and initiatives to use wind power as a source of renewable energy, for which the company has received planning permissions for four turbines.

Measures to control leakage from its network of more than 11,500 km of mains and service pipes and to reduce the number of properties at risk of sewage flooding are also key to Wessex Water's overall sustainability programme. For its regulatory year, Wessex Water's leakage rate remained at 72 megalitres per day ("Ml/d") despite the coldest winter in 15 years which led to a major increase in burst pipes. This rate falls below the economic level of leakage target, which is the point at which the costs of efforts to hold leakage at a certain level are balanced by the resulting benefits.

In addressing water quality issues relating to indications of declining raw water quality, largely as a result of the use of nitrates and pesticides and impacts of turbidity, Wessex Water's ongoing programme to protect and improve water quality included improving its drinking water protection plan (which identifies activities needed to safeguard water supply from source to tap), work by Wessex Water's specialist catchment advisers with farmers and landowners aimed at reversing declining raw water quality in the company's ground and surface water supplies, extension of its laboratory services to include rapid analysis for pesticides to identify threats to raw water sources and the completion of upgrading work at the company's Maundown water treatment site to improve drinking water treatment by removing compounds.

Chairman's Statement
for the financial year ended 30 June 2009

Along estuaries and coastal waters within Wessex Water's range of operations, investments are ongoing to improve the quality of rivers in response to European standards. During its regulatory year, this included work to remove phosphorous from a number of sewage works and investment to reduce the risk of pollution caused by storm discharges. Wessex Water has also established a Streamclean team, which is responsible for identifying sources of pollution to both rivers and coastal waters, helping to identify problems such as customer misconnections which have resulted in sewage entering surface water drainage systems.

Along with water quality improvements, Wessex Water has embarked on initiatives to conserve and, where possible, enhance biodiversity in its landholdings through its Biodiversity Action Plan. This includes site environment plans to guide management on sensitive operational sites and ecological surveys carried out on engineering schemes to facilitate the meeting of biodiversity targets. The Group has a biodiversity ecologist tasked with the responsibility of improving management of Wessex Water's landholdings for biodiversity.

On the community front, the company's Wessex Water Partnership is its community programme encompassing Wessex Water's package of guarantees and compensation payments, the Restart programme (designed to assist customers having difficulty paying their bills), the Wessex Watermark grant scheme and a community involvement scheme for charitable donations. In addition, Wessex Water has an offender training programme aimed at offering a new start for offenders. The programme was started in 2004 and is now running in 7 prisons, leading the company to work with the UK Ministry of Justice to encourage other industry members to participate.

For the benefit of its employees, Wessex Water recently established the Wessex Water Academy to focus on operational, managerial and leadership skills, one of many initiatives for employees aimed at providing a better understanding of job requirements and how these fit with the bigger picture of the service the company provides and its wider social responsibilities throughout vast regions covered by Wessex Water's operations. These measures have proven highly effective. During its regulatory year, for example, Wessex Water scored 100% on three out of four customer service standards set by Ofwat, its industry regulator, and was the first utility company to receive the UK government's Customer Service Excellence award. Last year, Wessex Water also won the Queen's Award for Enterprise in the category of Sustainable Development.

FUTURE PROSPECTS

YTL Power's acquisition-driven growth strategy, supported by strong technical expertise and an established track record in managing investments and improving operational efficiencies, will continue to form the cornerstone of the Group's development. The acquisition of prime assets such as Wessex Water and PowerSeraya, and investments in strong utilities such as ElectraNet and Jawa Power, coupled with viable new opportunities for expansion, will ensure the Group's continuing stability and growth.

The Group will continue to adhere to its determinants for investment, including stable concessions, economic viability and decisive rates of returns, all of which have ensured the fundamental strength of YTL Power's investments to date.

After declining 5.1% in the first half, the domestic economy is expected to perform better in the second half of the 2009 calendar year, with the contraction for the full year expected to level out at an average of 4.0-5.0%. Improvements in domestic economic activities are expected to emanate from the gradual recovery in global growth and the multiplier effect of the stimulus packages. The global economy has also begun to show signs of stabilisation, reflected in rising industrial production and exports, which improved the GDP growth of major economies. However, the sustainability of these improvements, which have been largely attributed to substantive fiscal stimulus and monetary measures undertaken worldwide, remains to be seen *(source: Ministry of Finance quarterly updates; Bank Negara Malaysia quarterly bulletins and annual reports).*

The utility-based nature of YTL Power's operations, however, ensures that the Group's activities will, to a significant extent, continue to be insulated from global economic fluctuations. Nevertheless, YTL Power will remain focused on increasing operational efficiency, further reinforcing its financial strength and enhancing shareholder value.

The Board of Directors of YTL Power wishes to thank the Group's shareholders, investors, customers, business associates and the regulatory authorities for their ongoing support. We also extend our gratitude to the management and staff of the Group for their efforts in enabling YTL Power to deliver another year of strong performance.

TAN SRI DATO' SERI
(DR) YEOH TIONG LAY
PSM, SPMS, DPMS, KMN, PPN, PJK

Corporate Events

2 DECEMBER 2008

ACQUISITION OF 100% STAKE IN POWERSERAYA LIMITED BY YTL POWER INTERNATIONAL BERHAD

On 2 December 2008, YTL Power International Berhad entered into a share purchase agreement with Temasek Holdings (Private) Limited ("Temasek") to acquire a 100% interest in PowerSeraya Limited in Singapore. PowerSeraya Limited has a licensed generation capacity of 3,100 MW, comprising approximately 25% of Singapore's total generation capacity. The acquisition was completed on 6 March 2009.

From left to right, Dato' Mark Yeoh Seok Kah, Executive Director of YTL Power International Berhad, Dato' Yeoh Seok Hong, Executive Director of YTL Power International Berhad, Mr Wong Kim Yin, Managing Director of Investments, Temasek, and Ms Gwendal Tung, Director of Investments, Temasek, at the Signing Ceremony on 2 December 2008.

5 MARCH 2009

CLOSING DINNER FOR SGD2.25 BILLION FACILITY ARRANGED BY DBS BANK LTD FOR THE ACQUISITION OF POWERSERAYA LIMITED

From left to right, Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay, Executive Chairman of YTL Power International Berhad, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Managing Director of YTL Power International Berhad, Mr Koh Boon Hwee, Chairman of DBS Bank Ltd, and Ms Jeanette Wong, Group Executive, Institutional Banking Group, DBS Bank Ltd, at the celebration dinner hosted by DBS Bank Ltd at The Fullerton Singapore on 5 March 2009.

DBS Bank Ltd, Singapore's largest bank, provided SGD2.25 billion of credit facilities to partially fund the acquisition.

6 MARCH 2009
CLOSING DINNER FOR THE ACQUISITION OF POWERSERAYA LIMITED

From left to right, Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay, Executive Chairman of YTL Power International Berhad, Ms Ho Ching, Executive Director and Chief Executive Officer of Temasek Holdings (Private) Limited, and Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Managing Director of YTL Power International Berhad, at the closing dinner for the acquisition on 6 March 2009.

28 JULY 2009
ACCA SINGAPORE AWARDS FOR SUSTAINABILITY REPORTING 2008 POWERSERAYA LIMITED – BEST FIRST TIME REPORT & BEST SUSTAINABILITY REPORTING

PowerSeraya Limited, a wholly-owned subsidiary of YTL Power International Berhad, won the awards for 'Best First Time Report' and 'Best Sustainability Reporting' at the ACCA Singapore Awards for Sustainability Reporting 2008.

Dr Yaacob Ibrahim (left), Singapore's Minister for the Environment and Water Resources, presents the awards to Mr John Ng (right), Chief Executive Officer of PowerSeraya Limited.

30 SEPTEMBER 2009
OPENING OF WESSEX WATER SERVICES LTD'S NEW TREATMENT WORKS

Wessex Water Services Ltd, a wholly-owned subsidiary of YTL Power International Berhad, opened its new GBP25 million treatment works at Maundown, near Wiveliscombe in Somerset. The new facility replaces the previous one, which was over 40 years old, and will supply water to over 200,000 customers in Taunton, Minehead, Bridgwater and Yeovil.

From left to right, Mr Mark Lloyds, Contracts Manager, Wessex Water Services Ltd, Mr Colin Skellett, Chairman of Wessex Water Services Ltd, and Dato' Yeoh Seok Hong, Executive Director of YTL Power International Berhad, at the official opening of the treatment works.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirteenth Annual General Meeting of YTL Power International Berhad will be held at Starhill 2, Level 4, JW Marriott Hotel Kuala Lumpur, 183, Jalan Bukit Bintang, 55100 Kuala Lumpur on Tuesday, the 1st day of December 2009 at 2.00 p.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2009 together with the Reports of the Directors and Auditors thereon; **Resolution 1**

2. To sanction the declaration of a Final Dividend of 3.75% single tier in respect of the financial year ended 30 June 2009; **Resolution 2**

3. To re-elect the following Directors who retire pursuant to Article 84 of the Company's Articles of Association:-

   (i) Tan Sri Dato' (Dr) Francis Yeoh Sock Ping **Resolution 3**
   (ii) Dato' Yeoh Soo Min **Resolution 4**
   (iii) Dato' Yeoh Soo Keng **Resolution 5**

4. To re-elect Tan Sri Datuk Dr. Aris Bin Osman @ Othman who retires pursuant to Paragraph 7.26(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad; **Resolution 6**

5. To consider and if thought fit, pass the following Ordinary Resolutions in accordance with Section 129(6) of the Companies Act, 1965:-

   (i) "THAT Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay, retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the next Annual General Meeting." **Resolution 7**

   (ii) "THAT Dato' (Dr) Yahya Bin Ismail, retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the next Annual General Meeting." **Resolution 8**

   (iii) "THAT Mej Jen Dato' Haron Bin Mohd Taib (B), retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the next Annual General Meeting." **Resolution 9**

6. To approve the payment of Directors' fees amounting to RM372,500 for the financial year ended 30 June 2009; **Resolution 10**

7. To re-appoint the Auditors and to authorise the Directors to fix their remuneration. **Resolution 11**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions:-

ORDINARY RESOLUTION 1

8. **PROPOSED AUTHORITY TO ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

   "THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad." **Resolution 12**

ORDINARY RESOLUTION 2

9. **PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

   "THAT subject to the Company's compliance with all applicable rules, regulations, orders and guidelines made pursuant to the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association and the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to buy-back and/or hold from time to time and at any time such amount of ordinary shares of RM0.50 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company ("the Proposed Share Buy-Back") provided that:-

i) The maximum number of shares which may be purchased and/or held by the Company at any point of time pursuant to the Proposed Share Buy-Back shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being quoted on Bursa Securities provided always that in the event that the Company ceases to hold all or any part of such shares as a result of, amongst others, cancellation of shares, sale of shares on the market of Bursa Securities or distribution of treasury shares to shareholders as dividend in respect of shares bought back under the previous shareholders' mandate for share buy-back which was obtained at the Annual General Meeting held on 2 December 2008, the Company shall be entitled to further purchase and/or hold such additional number of shares as shall (in aggregate with the shares then still held by the Company) not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being quoted on Bursa Securities;

ii) The maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back shall not exceed the sum of Retained Profits and the Share Premium Account of the Company based on its latest audited financial statements available up to the date of a transaction pursuant to the Proposed Share Buy-Back. As at 30 June 2009, the audited Retained Profits and Share Premium Account of the Company were RM2,228,020,000 and RM1,774,814,000 respectively; and

iii) The shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with by the Directors in all or any of the following manner:-

a) the shares so purchased may be cancelled; and/or

b) the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or

c) part of the shares so purchased may be retained as treasury shares with the remainder being cancelled.

AND THAT such authority shall commence upon the passing of this resolution, until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever occurs first, but so as not to prejudice the completion of a purchase made before such expiry date;

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Share Buy-Back with full powers to amend and/or assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association and the Main LR of Bursa Securities and all other relevant governmental/regulatory authorities." **Resolution 13**

ORDINARY RESOLUTION 3

10. **PROPOSED RENEWAL OF SHAREHOLDER MANDATE AND NEW SHAREHOLDER MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT the Company and/or its subsidiaries be and is/are hereby authorised to enter into recurrent related party transactions from time to time with Related Parties who may be a Director, a major shareholder of the Company and/or its subsidiaries or a person connected with such a Director or major shareholder, as specified in section 2.1.2 (a) & (b) of the Circular to Shareholders dated 9 November 2009 subject to the following:-

i) the transactions are of a revenue or trading in nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries and are transacted on terms consistent or comparable with market or normal trade practices and/or based on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and

ii) disclosure is made in the annual report of the aggregate value of transactions conducted during the financial year pursuant to the shareholders' mandate in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

THAT the mandate given by the shareholders of the Company shall only continue to be in force until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (the "Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever is the earlier;

AND THAT the Directors of the Company be authorised to complete and do such acts and things as they may consider expedient or necessary to give full effect to the shareholders' mandate." **Resolution 14**

NOTICE OF BOOK CLOSURE

Notice is hereby given that the Register of Members of the Company will be closed at 5.00 p.m. on 8 December 2009 for the entitlement of the following:

Proposed Final Dividend of 3.75% single tier in respect of the financial year ended 30 June 2009 as recommended by the Directors on 20 August 2009.

A Depositor shall qualify for entitlement to the Proposed Final Dividend only in respect of:

a) shares transferred into the Depositor's Securities Account before 4.00 p.m. on 8 December 2009 in respect of transfers; and

b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

Notice is also hereby given that the Dividend Payment Date of the Proposed Final Dividend of 3.75% single tier in respect of the financial year ended 30 June 2009, if approved by the shareholders at the forthcoming Thirteenth Annual General Meeting, shall be on 24 December 2009.

Holders of Warrants 2000/2010 and Warrants 2008/2018 are reminded to lodge with the Company's Registrar, YTL Corporation Berhad of 11th Floor, Yeoh Tiong Lay Plaza, 55 Jalan Bukit Bintang, 55100 Kuala Lumpur, their subscription forms and subscription monies for subscription of new shares by 5.00 p.m. on 25 November 2009 to qualify for the above dividend entitlement.

By Order of the Board,

HO SAY KENG
Company Secretary

KUALA LUMPUR
9 November 2009

Notes:

A member entitled to attend and vote at the meeting may appoint a proxy to vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member other than an Authorised Nominee shall not be entitled to appoint more than one proxy to attend and vote at the same meeting and where such member appoints more than one proxy to attend and vote at the same meeting, such appointment shall be invalid. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or his attorney and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised in writing. An instrument appointing a proxy shall be deposited at the Registered Office of the Company at least 48 hours before the appointed time for holding the meeting. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 60(2) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 23 November 2009. Only a depositor whose name appears on the General Meeting Record of Depositors as at 23 November 2009 shall be entitled to attend the said meeting or appoint proxy to attend and/or vote in his stead.

Resolution pursuant to Section 132D of the Companies Act, 1965

The Company is actively pursuing business opportunities in prospective areas so as to broaden the operating base and earnings potential of the Company. Such expansion plans may require the issue of new shares not exceeding ten per centum of the Company's issued share capital. With the passing of the Resolution 12 mentioned above by the shareholders of the Company at the forthcoming Annual General Meeting, the Directors would avoid delay and cost of convening further general meetings to approve issue of such shares for such purposes.

Resolution pertaining to the renewal of Authority to Buy-Back Shares of the Company

For Resolution 13, further information on the Share Buy-Back is set out in the Share Buy-Back Statement dated 9 November 2009 which is despatched together with the Company's Annual Report 2009.

Resolution pertaining to the Recurrent Related Party Transactions

For Resolution 14, further information on the Recurrent Related Party Transactions is set out in the Circular to Shareholders dated 9 November 2009 which is despatched together with the Company's Annual Report 2009.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS

No individual is seeking election as a Director at the Thirteenth Annual General Meeting of the Company.

Corporate Information

BOARD OF DIRECTORS

Executive Chairman
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay
PSM, SPMS, DPMS, KMN, PPN, PJK
Hon DEng (Heriot-Watt), DBA (Hon) (UMS), Chartered Builder, FCIOB, FAIB, FFB, FBIM, FSIET, FBGAM, FMID

Managing Director
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping
PSM, CBE, FICE, SIMP, DPMS, DPMP, JMN, JP
Hon DEng (Kingston), BSc (Hons) Civil Engineering, FFB, F Inst D, MBIM, RIM

Deputy Managing Director
Dato' Yeoh Seok Kian
DSSA
BSc (Hons) Bldg, MCIOB, FFB

Directors
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
PSM, DPMT, ASM, JP

Tan Sri Datuk Dr. Aris Bin Osman @ Othman
PSM, PJN, KMN
PhD (Development Economics), MA (Development Economics), BA (Hons) (Analytical Economics)

Dato' (Dr) Yahya Bin Ismail
DPMJ, DPCM, DPMP, KMN, PPT
Bachelor of Veterinary Science

Mej Jen Dato' Haron Bin Mohd Taib (B)
PSAT, DPMJ, DPMT, DPMK, JMN, PMK, SMT, PIS, PJK, PKB, psc

Dato' Yeoh Soo Min
DSPN, DPMP
BA (Hons) Accounting

Dato' Yeoh Seok Hong
DSPN, JP
BE (Hons) Civil & Structural Engineering, FFB

Dato' Sri Michael Yeoh Sock Siong
DIMP, SSAP
BE (Hons) Civil & Structural Engineering, FFB

Dato' Yeoh Soo Keng
DIMP
BSc (Hons) Civil Engineering

Dato' Mark Yeoh Seok Kah
DSSA
LLB (Hons)

Syed Abdullah Bin Syed Abd. Kadir
BSc (Engineering Production), BCom (Economics)

COMPANY SECRETARY

Ho Say Keng

REGISTERED OFFICE

11th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel • 603 2117 0088
603 2142 6633
Fax • 603 2141 2703

BUSINESS OFFICE

7th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel • 603 2117 0088
603 2142 6633
Fax • 603 2141 2703

REGISTRAR

YTL Corporation Berhad
11th Floor, Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel • 603 2117 0088
603 2142 6633
Fax • 603 2141 2703

SOLICITORS

Lee, Perara & Tan
Slaughter & May

AUDIT COMMITTEE

Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
(Chairman and Independent Non-Executive Director)

Tan Sri Datuk Dr. Aris Bin Osman @ Othman
(Independent Non-Executive Director)

Dato' (Dr) Yahya Bin Ismail
(Independent Non-Executive Director)

AUDITORS

PricewaterhouseCoopers (AF 1146)
Chartered Accountants

PRINCIPAL BANKERS OF THE GROUP

Banco Bilbao Vizcaya Argentina, S.A.
Bank of America
Bank of China (Malaysia) Berhad
Barclays Bank Plc
Bayerische Landesbank
BNP Paribas
Calyon
Cathay United Bank
Chinatrust Commercial Bank
CIMB Bank Berhad
CIMB Bank (L) Limited
Citibank Berhad
Citibank Malaysia (L) Limited
DBS Bank Ltd
DZ Bank AG Deutsche Zentral – Genossenschaftbank Frankfurt Am Main
European Investment Bank
Fortis Bank S.A./N.V.
HSBC Bank Plc
ING Bank N.V.
Mega International Commercial Bank Co Ltd
Mizuho Corporate Bank Ltd
National Australia Bank Limited
Natixis
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank Malaysia Berhad
Sumitomo Mitsui Banking Corporation
The Bank of East Asia Limited
The Bank of Nova Scotia Berhad
The Bank of Tokyo-Mitsubishi UFJ, Ltd
The Royal Bank of Scotland plc
United Overseas Bank Limited

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market (23.5.1997)

TAN SRI DATO' SERI (DR) YEOH TIONG LAY

Malaysian, aged 79, was appointed to the Board on 21 October 1996 and has been the Executive Chairman since 31 October 1996. His contributions are well recognised with the conferment of the title of Doctor of Engineering by Heriot-Watt University, Edinburgh and his appointment as Honorary Life President of the Master Builders Association of Malaysia in 1988. He is the co-founder and the first Chairman of the ASEAN Constructors' Federation. On 26 October 2002, Tan Sri Yeoh Tiong Lay was conferred the Honorary Doctorate in Philosophy (Business Administration) by Universiti Malaysia Sabah. He was installed as Pro-Chancellor for Universiti Malaysia Sabah on 1 July 2005. He is the past President and Lifetime member of the International Federation of Asian and Western Pacific Contractors Association. Tan Sri Yeoh Tiong Lay is currently an EXCO member of the Malaysian Crime Prevention Foundation. On 19 January 2008, Tan Sri Yeoh Tiong Lay was conferred the prestigious Order of the Rising Sun, Gold Rays with Neck Ribbon by the Emperor of Japan in recognition of his outstanding contribution towards the economic co-operation and friendship between Japan and Malaysia, including his efforts as an executive member and Vice President of the Malaysia-Japan Economic Association. On 20 August 2009, Tan Sri Yeoh Tiong Lay was accorded with Lifetime Achievement Award in the Asia Pacific Entrepreneurship Awards 2009 (APEA 2009) in recognition of his outstanding entrepreneurial achievements and contribution towards the development of the nation. He is also the Honorary Chairman of Tung Shin Hospital and is on the board of Governors for several schools. Tan Sri Yeoh Tiong Lay is also the Executive Chairman of YTL Corporation Berhad and YTL Cement Berhad, both listed on the Main Board of Bursa Malaysia Securities Berhad and a board member of other public companies such as YTL Industries Berhad, YTL Foundation, and Wessex Water Limited (a private utilities company in UK).

TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING

Malaysian, aged 55, was appointed to the Board on 18 October 1996 as an Executive Director and has been the Managing Director since then. Tan Sri Francis studied at Kingston University, UK, where he obtained a Bachelor of Science (Hons) in Civil Engineering and was conferred an Honorary Doctorate of Engineering in 2004. He became the Managing Director of YTL Corporation Berhad Group in 1988 which under his stewardship, has grown from a single listed entity into a force comprising six listed entities ie. YTL Corporation Berhad, YTL Power International Berhad, YTL Cement Berhad, YTL Land & Development Berhad, YTL e-Solutions Berhad and Starhill Real Estate Investment Trust. He is presently Managing Director of YTL Corporation Berhad, YTL Cement Berhad and YTL Land & Development Berhad, all listed on the Main Market of Bursa Malaysia Securities Berhad. Tan Sri Francis is also the Executive Chairman and Managing Director of YTL e-Solutions Berhad, which is listed on the ACE Market of Bursa Malaysia Securities Berhad, and YTL Pacific Star REIT Management Limited, which is the Manager for Starhill Global REIT, a vehicle listed on the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST). Besides the listed entities in YTL Group, Tan Sri Francis also sits on the board of several public companies such as YTL Industries Berhad, YTL Foundation and the prominent private utilities companies in United Kingdom, Wessex Water Limited and Wessex Water Services Limited. He is also a director and Chief Executive Officer of Pintar Projek Sdn Bhd, the Manager of Starhill Real Estate Invesment Trust.

He is a Founder Member of the Malaysian Business Council and The Capital Markets Advisory Council. He is also a member of The Nature Conservancy Asia Pacific Council, the Asia Business Council and Trustee of the Asia Society. He is also a member of the Advisory Council of London Business School, Wharton School and INSEAD.

He was ranked by both Fortune Magazine and Business Week Magazine as Asia's 25 Most Powerful and Influential Business Personalities. He won the inaugural Ernst & Young's Master Entrepreneur in Malaysia in 2002 and CNBC Asia Pacific named him Malaysia CEO of the Year in 2005.

He was appointed as member of Barclays Asia-Pacific Advisory Committee in 2005. In 2006, he was awarded the Commander of the Most Excellent Order of the British Empire (CBE) by Her Majesty Queen Elizabeth II. In 2008, he was appointed Chairman for South East Asia of the International Friends of the Louvre and he also received a prestigious professional accolade when made a Fellow of the Institute of Civil Engineers in London. He was named one of Asia's Top Executives in 2008 by Asiamoney.

TAN SRI DATO' LAU YIN PIN @ LAU YEN BENG

Malaysian, aged 60, was appointed to the Board on 18 February 1997 as an Independent Non-Executive Director. He is also the Chairman of the Audit Committee. He obtained a Diploma in Commerce with distinction from Tunku Abdul Rahman College in 1974. In 1987, he became a graduate member of the Institute of Chartered Secretaries and Administrators, United Kingdom, and in 1981 was made a Fellow of the Chartered Association of Certified Accountants of the United Kingdom. Tan Sri Dato' Lau has been a member of the Malaysian Institute of Accountants since 1979. He was appointed to the Board of the former Lembaga Letrik Negara on 1 October 1988 and now serves on the Board of Tenaga Nasional Berhad, the successor to Lembaga Letrik Negara. On 13 April 2004, he was appointed as Treasurer General of the Malaysian Chinese Association (MCA). He is a board member of Media Chinese International Ltd, Institute of Strategic Analysis & Policy Research, and UTAR Education Foundation.

Profile of the Board of Directors

TAN SRI DATUK DR. ARIS BIN OSMAN @ OTHMAN

Malaysian, aged 65, was appointed to the Board on 12 June 2006 as an Independent Non-Executive Director. He is also a member of the Audit Committee. Tan Sri Datuk Dr. Aris holds a PhD in Development Economics and a MA in Political Economy from Boston University, a MA in Development Economics from Williams College, Massachusetts, U.S.A., and a Bachelor of Arts (Hons) in Analytical Economics from University of Malaya.

Tan Sri Datuk Dr. Aris had served in various positions in the Economic Planning Unit, Prime Minister's Department from 1966 to 1986. He was seconded to Bank Bumiputra Malaysia Berhad, Kuala Lumpur as Chief General Manager (Corporate Planning, Financial Subsidiaries, Treasury, Human Resources) from 1986 to 1989. From 1989 to 1999, Tan Sri Datuk Dr. Aris was with the Ministry of Finance during which he had served as Executive Director (South-East Asia Group) of the World Bank, Washington D.C. from 1991 to 1994 and Secretary General to the Treasury from 1998 to mid 1999. This was followed by an illustrious career in banking where he held the positions of Executive Chairman and Managing Director/Chief Executive Officer of Bank Pembangunan dan Infrastruktur Malaysia Berhad. He is presently the Chairman of Malaysia Airports Holdings Berhad and a board member of AMMB Holdings Berhad, AmInvestment Bank Berhad and YTL Foundation.

DATO' YEOH SEOK KIAN

Malaysian, aged 52, was appointed to the Board on 21 October 1996 as an Executive Director. He is currently the Deputy Managing Director of the Company. He graduated from Heriot-Watt University, Edinburgh, United Kingdom in 1981 with a Bachelor of Science (Hons) Degree in Building. He attended the Advance Management Programme conducted by Wharton Business School, University of Pennsylvania in 1984. Dato' Yeoh is a Fellow of the Faculty of Building, United Kingdom as well as a Member of the Chartered Institute of Building (UK). He is the Deputy Managing Director of YTL Corporation Berhad and Executive Director of YTL Cement Berhad and YTL Land & Development Berhad, all listed on the Main Market of Bursa Malaysia Securities Berhad. Dato' Yeoh also serves on the board of several other public companies such as YTL Industries Berhad, The Kuala Lumpur Performing Arts Centre and private utilities company, Wessex Water Limited, as well as YTL Pacific Star REIT Management Limited, which is the Manager for Starhill Global REIT, a vehicle listed on the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST). He is also an Executive Director of Pintar Projek Sdn Bhd, the Manager of Starhill Real Estate Investment Trust.

DATO' (DR) YAHYA BIN ISMAIL

Malaysian, aged 81, was appointed to the Board on 31 October 1996 as an Independent, Non-Executive Director. He is also a member of the Audit Committee. He was formerly with the Government and his last appointment was as Director General of the National Livestock Authority Malaysia. He was also with the Totalisator Board Malaysia from 1982 to 1990 and served as its Chairman from 1986. Dato' Yahya is a Director of YTL Corporation Berhad which is listed on the Main Market of Bursa Malaysia Securities Berhad. He also sits on the Board of Metroplex Berhad and Pintar Projek Sdn Bhd, the Manager of Starhill Real Estate Investment Trust.

MEJ JEN DATO' HARON BIN MOHD TAIB (B)

Malaysian, aged 74, was appointed to the Board on 31 October 1996 as an Independent Non-Executive Director. He was enlisted as an officer cadet at the Royal Military College in Sungei Besi, Kuala Lumpur in 1954 and was commissioned as a Second Lieutenant at Royal Military Academy Sandhurst, England in 1957. Some of his various notable appointments include Director of Manpower Planning in the Ministry of Defence in 1972, Chief of Logistic Staff in 1986 and Commander of Army Logistic Command in 1987. He has been a Director of YTL Corporation Berhad since 3 July 1990.

DATO' YEOH SOO MIN

Malaysian, aged 53, was appointed to the Board on 2 June 1997 as an Executive Director. She graduated with a Bachelor of Art (Hons) Degree in Accounting from University of North London in 1980. She did her Articleship at Leigh Carr and Partners, London and has gained vast experience in accounting and management. She was responsible for the setting up of the Travel Division of the YTL Group in December 1990. Dato' Yeoh Soo Min is currently responsible for the accounting and finance systems for the YTL Group. She is a Member of the Malaysian Institute of Management. She was the past President of the Women in Travel Industry. She is currently one of the Governors of International Students House, London since 1995 and is a Trustee of Yayasan Tuanku Fauziah. She also holds directorships in YTL Corporation Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad, YTL Industries Berhad and YTL Vacation Club Berhad.

DATO' YEOH SEOK HONG

Malaysian, aged 50, was appointed to the Board on 18 October 1996 as an Executive Director. He obtained his Bachelor of Engineering (Hons) Civil & Structural Engineering Degree from the University Bradford, United Kingdom in 1982. He is a member of the Faculty of Building, United Kingdom. Dato' Yeoh Seok Hong has vast experience in the construction industry, being the Executive

Director responsible for the YTL Group construction division. He was the project director responsible for the development and the construction of the two Independent Power Producer power stations owned by YTL Power Generation Sdn Bhd. His other achievements include the construction of the Express Rail Link between the Kuala Lumpur International Airport and the Kuala Lumpur Sentral Station. He is also responsible for developing the power and utility businesses of the YTL Power International Berhad Group. He is a director of YTL Corporation Berhad, YTL Cement Berhad and YTL Land & Development Berhad, all listed on the Main Market of Bursa Malaysia Securities Berhad and YTL e-Solutions Berhad, a company listed on the ACE Market of Bursa Malaysia Securities Berhad. Dato' Yeoh Seok Hong also sits on the board of YTL Industries Berhad, YTL Foundation, Wessex Water Limited, Wessex Water Services Limited and PowerSeraya Limited.

DATO' SRI MICHAEL YEOH SOCK SIONG

Malaysian, aged 49, was appointed to the Board on 21 October 1996 as an Executive Director. He graduated from Bradford University, United Kingdom in 1983 with a Bachelor of Engineering (Hons) Civil & Structural Engineering Degree. Dato' Sri Michael Yeoh is primarily responsible for YTL Group Manufacturing Division which activities involve cement manufacturing and other building material industries. He is also a director of YTL Corporation Berhad, YTL Cement Berhad, YTL Land & Development Berhad, all listed on the Main Market of Bursa Malaysia Securities Berhad and YTL e-Solutions Berhad, a company listed on the ACE Market of Bursa Malaysia Securities Berhad. He also sits on the board of other public companies such as YTL Industries Berhad, Sentul Raya Golf Club Berhad and private utilities company, Wessex Water Limited as well as Jurong Cement Limited.

DATO' YEOH SOO KENG

Malaysian, aged 46, was appointed to the Board on 2 June 1997 as an Executive Director. She graduated with a Bachelor of Science (Hons) in Civil Engineering from Leeds University, United Kingdom in 1985. She was the project director for the construction of the British High Commissioner's residence, Kuala Lumpur; the Design & Build of the National Art Gallery in Kuala Lumpur and the Selangor Medical Centre in Shah Alam. She was also in charge of a few turnkey projects such as the construction and completion of Yeoh Tiong Lay Plaza, Pahang Cement plant in Pahang and Slag Cement plants in Selangor and Johor. Dato' Yeoh Soo Keng is the purchasing director responsible for bulk purchases of building materials and related items for construction, hotels and resorts, and property development divisions of the YTL Group. She is instrumental in the sales and marketing of cement and related products for YTL Cement Berhad, Pahang Cement Marketing Sdn Bhd and Perak-Hanjoong Simen Sdn Bhd. She is also a director of YTL Corporation Berhad and YTL Cement Berhad, all listed on the Main Market of Bursa Malaysia Securities Berhad.

DATO' MARK YEOH SEOK KAH

Malaysian, aged 44, was appointed to the Board on 21 October 1996 as an Executive Director. He graduated from King's College, University of London with a LLB (Hons) and was subsequently called to the Bar at Gray's Inn, London in 1988. Dato' Mark Yeoh joined YTL Group in 1989 and is presently the Executive Director responsible for the YTL Hotels and Resorts Division. In addition, he is also part of YTL Power's Mergers & Acquisitions Team and was involved in the acquisition of ElectraNet SA (Australia), Wessex Water Limited (UK), P.T. Jawa Power (Indonesia) and PowerSeraya Limited (Singapore). He serves on the board of YTL Corporation Berhad, YTL Cement Berhad, YTL Land & Development Berhad, all listed on the Main Market of the Bursa Malaysia Securities Berhad and YTL e-Solutions Berhad, a company listed on the ACE Market of Bursa Malaysia Securities Berhad. He is also a board member of YTL Vacation Club Berhad and private utilities company, Wessex Water Limited, as well as PowerSeraya Limited.

SYED ABDULLAH BIN SYED ABD. KADIR

Malaysian, aged 55, was appointed to the Board on 18 February 1997 as an Executive Director. He graduated from the University of Birmingham in 1977 with a Bachelor of Science (Engineering Production) and a Bachelor of Commerce (Economics) Double Degree. He has extensive experience in banking and financial services, having been with Bumiputra Merchant Bankers Berhad from 1984 to 1994, holding the position of general manager immediately prior to his departure from the bank. Prior to joining YTL Corporation Berhad Group, he was, from November 1994 to February 1996, the general manager of Amanah Capital Partners Berhad, a public listed company with subsidiaries involved in, *inter alia*, discount, money broking, unit trusts, finance and fund management operations. He also serves on the board of YTL Corporation Berhad, YTL e-Solutions Berhad, Iris Corporation Berhad, and Versatile Creative Berhad.

Notes:

1. **Family Relationship with Director and/or Major Shareholder**
   Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay who is a deemed major shareholder of the Company, is the father of Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Dato' Yeoh Seok Kian, Dato' Yeoh Soo Min, Dato' Yeoh Seok Hong, Dato' Sri Michael Yeoh Sock Siong, Dato' Yeoh Soo Keng and Dato' Mark Yeoh Seok Kah. Save as disclosed herein, none of the Directors has any family relationship with any director and/or major shareholder of the Company.

2. **Conflict of Interest**
   None of the Directors has any conflict of interest with the Company.

3. **Conviction of Offences**
   None of the Directors has been convicted of any offences in the past ten (10) years.

DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

During the financial year, a total of 5 Board meetings were held and the details of attendance are as follows:-

	Attendance
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	5
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	5
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	5
Dato' Yeoh Seok Kian	4
Dato' (Dr) Yahya Bin Ismail	5
Mej Jen Dato' Haron Bin Mohd Taib (B)	5
Dato' Yeoh Soo Min	3
Dato' Yeoh Seok Hong	5
Dato' Sri Michael Yeoh Sock Siong	4
Dato' Yeoh Soo Keng	5
Dato' Mark Yeoh Seok Kah	5
Syed Abdullah Bin Syed Abd. Kadir	5

Statement of Directors' Responsibilities

The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year then ended.

The Directors consider that, in preparing the financial statements for the financial year ended 30 June 2009, the Group has used appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent. The Directors also consider that all applicable approved accounting standards have been followed and confirm that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1965 and MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities.

Audit Committee Report

MEMBERS

Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
(Chairman/Independent Non-Executive Director)

Tan Sri Datuk Dr. Aris Bin Osman @ Othman
(Member/Independent Non-Executive Director)

Dato' (Dr) Yahya Bin Ismail
(Member/Independent Non-Executive Director)

Dato' Yeoh Seok Hong
(Member/Executive Director)
(Resigned on 22 January 2009)

TERMS OF REFERENCE

Primary Purposes

The Committee shall:

1. Provide assistance to the Board in fulfilling its fiduciary responsibilities relating to the corporate accounting and practices for YTL Power International Berhad and all its wholly and majority owned subsidiaries ("Group").

2. Improve the Group's business efficiency, the quality of the accounting function, the system of internal controls and audit function and strengthen the confidence of the public in the Group's reported results.

3. Maintain through regularly scheduled meetings, a direct line of communication between the Board and the external auditors as well as internal auditors.

4. Enhance the independence of both the external and internal auditors' function through active participation in the audit process.

5. Strengthen the role of the Independent Directors by giving them a greater depth of knowledge as to the operations of the Company and of the Group through their participation in the Committee.

6. Act upon the Board of Directors' request to investigate and report on any issues or concerns in regard to the management of the Group.

7. Review existing practices and recommend to Management to formalise an ethics code for all executives and members of the staff of the Group.

8. Create a climate of discipline and control which will reduce opportunity of fraud.

Membership

1. The Committee shall be appointed by the Board from amongst their number and shall be composed of no fewer than three (3) members, all of whom must be non-executive directors, with a majority of them being Independent Directors.

2. At least one member of the Audit Committee:-

   (a) must be a member of the Malaysian Institute of Accountants; or

   (b) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:-

      (i) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or

      (ii) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or

   (c) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

3. The Board must ensure that no alternate Director is appointed as a member of the Audit Committee.

4. The members of the Committee shall elect a Chairman from amongst their number who shall be an Independent Director.

Authority

The Committee shall in accordance with the procedure determined by the Board and at the cost of the Company:-

1. have authority to investigate any matter within its terms of reference;

2. have the resources which are required to perform its duties;

3. have full and unrestricted access to any information pertaining to the Company;

4. have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;

5. be able to obtain independent professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and

6. be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

Functions And Duties

The Committee shall, amongst others, discharge the following functions:-

1. Review the following and report the same to the Board of the Company:-

    (a) the audit plan with the external auditors;

    (b) the evaluation by the external auditors of the quality and effectiveness of the entire accounting system, the adequacy and the integrity of the internal control system and the efficiency of the Group's operations and efforts and processes taken to reduce the Group's operational risks;

    (c) the audit report with the external auditors;

    (d) the assistance given by the employees of the Company to the external auditors;

    (e) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;

    (f) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

    (g) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focussing particularly on:-

        - changes in or implementation of major accounting policy changes

        - significant and unusual events

        - the accuracy and adequacy of the disclosure of information essential to a fair and full presentation of the financial affairs of the Group

        - compliance with accounting standards, other statutory and legal requirements and the going concern assumption;

    (h) any related party transaction and conflict of interest situation that may arise within the Company/Group and any related parties outside the Group including any transaction, procedure or course of conduct that raises questions of management integrity;

    (i) any letter of resignation from the external auditors of the Company;

    (j) whether there is reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment; and

    (k) any significant audit findings, reservations, difficulties encountered or material weaknesses reported by the external and internal auditors.

2. Recommend the nomination of a person or persons as external auditors and the external audit fee.

3. Promptly report to Bursa Securities on any matter reported by it to the Board of the Company which has not been satisfactorily resolved resulting in a breach of Bursa Securities Main Market Listing Requirements ("Main LR").

4. Carry out any other function that may be mutually agreed upon by the Committee and the Board which would be beneficial to the Company and ensure the effective discharge of the Committee's duties and responsibilities.

Meetings

1. To form a quorum in respect of a meeting of the Committee, the majority of members present must be Independent Directors.

2. The Committee shall meet at least five (5) times a year, although additional meetings may be called at any time at the Audit Committee Chairman's discretion. An agenda shall be sent to all members of the Committee and any other persons who may be required/invited to attend. All meetings to review the quarterly results and annual financial statements, shall be held prior to such quarterly results and annual financial statements being presented to the Board for approval.

Audit Committee Report

3. Notwithstanding paragraph 2 above, upon the request of any member of the Committee, the external auditors or the internal auditors, the Chairman of the Committee shall convene a meeting of the Committee to consider any matter which should be brought to the attention of the Directors or shareholders.

4. The external auditors have the right to appear and be heard at any meeting of the Committee and shall appear before the Committee when required to do so by the Committee.

5. The Committee may invite any Board member or any member of the Management within the Company who the Committee thinks fit to attend its meetings to assist in resolving and clarifying matters raised in audit reports.

6. The internal auditors shall be in attendance at meetings of the Committee to present and discuss the audit reports of findings and the recommendations relating thereto and to follow up on decisions made at these meetings.

7. The Committee may establish any regulations from time to time to govern its administration.

Retirement And Resignation

In the event of any vacancy in the Audit Committee resulting in the non-compliance of subparagraphs 15.09(1) of the Main LR, the Company must fill the vacancy within 3 months.

Minutes

1. The Secretary shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Committee. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated.

2. Minutes of each meeting shall also be distributed to the members of the Committee prior to each meeting.

3. Detailed minutes of the Committee's meetings will be made available to all Board members. A summary of significant matters and resolutions will be reported to the Board by the Committee.

4. The books containing the minutes of proceedings of any meeting of the Committee shall be kept by the Company at the registered office of the Company and shall be opened to the inspection of any member of the Committee and of the Board.

Secretary

The Secretary to the Committee shall be the Company Secretary.

ACTIVITIES

In line with the terms of reference of the Committee, the following activities were carried out by the Committee during the financial year ended 30 June 2009 in discharging its functions:-

1. Review of the external auditors' scope of work and their audit plan.

2. Reviewing with the external auditors on the results of their audit, the audit report and internal control recommendations in respect of control weaknesses noted in the course of their audit.

3. Review of audit reports presented by internal auditors on findings and recommendations and management's responses thereto and ensure that material findings are adequately addressed by management.

4. Review of the quarterly results and annual financial statements to ensure compliance with the Main LR, applicable approved accounting standards and other statutory and regulatory requirements prior to recommending for approval by the Board of Directors.

5. Verifying the allocation of share options pursuant to the Employees' Share Option Scheme.

6. Review of the related party transactions entered into by the Group.

7. Review of the adequacy and competency of the internal audit function and the profiles of the internal auditors.

INTERNAL AUDIT ACTIVITIES

The activities of the internal audit function during the year under review include:-

1. Developing the annual internal audit plan and proposing this plan to the Audit Committee.

2. Conducting scheduled internal audit engagements, focusing primarily on the effectiveness of internal controls and recommending improvements where necessary.

3. Conducting follow-up reviews to assess if appropriate action has been taken to address issues highlighted in previous audit reports.

4. Presenting audit findings to the Audit Committee for consideration.

NUMBER OF MEETINGS HELD AND DETAILS OF ATTENDANCE

During the financial year, a total of 5 Audit Committee Meetings were held and the details of attendance are as follows:-

	Attendance
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	5
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	5
Dato' (Dr) Yahya Bin Ismail	5
Dato' Yeoh Seok Hong *(Resigned on 22 January 2009)*	3

Statement on Corporate Governance

The Board of Directors ("Board") of YTL Power International Berhad ("YTL Power" or "Company") remains firmly committed to ensuring an appropriate and sound system of corporate governance throughout the Company and its subsidiaries ("YTL Power Group"). In implementing its governance system and ensuring full compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board has been guided by the measures and best practices recommended in the Malaysian Code on Corporate Governance ("Code").

The YTL Power Group has a long-standing commitment to corporate governance and protection of shareholder value, which has been integral to the YTL Power Group's achievements and strong financial profile to date. The YTL Power Group's corporate governance structure is a fundamental part of the Board's responsibility to protect and enhance long-term shareholder value and the financial performance of the YTL Power Group, whilst taking into account the interests of all stakeholders.

This section of the Annual Report details the measures implemented by the YTL Power Group to strengthen its compliance with the Principles and Best Practices of Corporate Governance as set out in Parts 1 and 2 of the Code, respectively.

BOARD STRUCTURE

YTL Power is led and managed by an experienced Board with a wide and varied range of expertise to address and manage the complexity and scale of the YTL Power Group's operations. This broad spectrum of skills and experience ensures the YTL Power Group is under the guidance of an accountable and competent Board. The Directors recognise the key role they play in charting the strategic direction, development and control of the YTL Power Group and have adopted the six primary responsibilities as listed in the Code, which facilitate the discharge of the Board's stewardship responsibilities.

The Board currently has 13 Directors, comprising 9 executive members and 4 non-executive members, all of whom are independent. This provides an effective check and balance in the functioning of the Board, and complies with the Listing Requirements, which require one-third of the Board to be independent.

The positions and responsibilities of the Executive Chairman and the Managing Director are held by separate members of the Board. The Executive Chairman is primarily responsible for the orderly conduct and effectiveness of the Board, whilst the Managing Director oversees the day-to-day running of the business, implementation of Board policies and making of operational decisions, in addition to advancing relationships with regulators and all other stakeholders. The Managing Director and the Executive Directors are accountable to the Board for the profitable operation and development of the YTL Power Group, consistent with the primary aim of enhancing long-term shareholder value.

The Independent Non-Executive Directors have the experience and business acumen necessary to carry sufficient weight in the Board's decisions and the presence of these Independent Non-Executive Directors brings an additional element of balance to the Board as they do not participate in the day-to-day running of the Company. The differing roles of Executive and Non-Executive Directors are delineated, both having fiduciary duties towards shareholders. Executive Directors have a direct responsibility for business operations whereas Non-Executive Directors have the necessary skill and experience to bring an independent judgement to bear on issues of strategy, performance and resources brought before the Board.

The Executive Directors are collectively accountable for the running and management of the YTL Power Group's operations and for ensuring that strategies are fully discussed and examined, and take account of the long-term interests of shareholders, employees, customers, suppliers and the many communities in which the YTL Power Group conducts its business.

Together, the Directors believe that the structure of the Board satisfactorily reflects the interests of its shareholders and is able to provide clear effective leadership to the YTL Power Group. The composition of the Board reflects the wide range of business, commercial and financial experience essential in the management and direction of a corporation with global presence. A brief description of the background of each Director is presented in the Profile of the Board of Directors in this Annual Report.

To date, the Board has not found it necessary to designate a Senior Independent Non-Executive Director to whom concerns may be conveyed, mainly because full deliberation of issues affecting the YTL Power Group by all members of the Board and shareholders is encouraged.

DIRECTORS' TRAINING

The Directors are fully cognisant of the importance and value of attending seminars, training programmes and conferences in order to update themselves on developments and changes in the industries in which the YTL Power Group operates, as well as wider economic, financial and governance issues to enhance their skills, knowledge and expertise in their respective fields. All Directors have attended and completed the Mandatory Accreditation Programme prescribed by Bursa Securities, and the Board will continue to evaluate and determine the training needs of its Directors on an ongoing basis.

Throughout the financial year under review, the Directors attended various briefings, conferences, seminar programmes and speaking engagements covering areas that included corporate governance, leadership, relevant industry updates and global business developments which they have collectively or individually considered as useful in discharging their stewardship responsibilities.

BOARD MEETINGS & ACCESS TO INFORMATION

Board meetings are scheduled with due notice in advance at least 5 times in a year in order to review and approve the annual and interim financial results. Additional meetings may also be convened on an ad-hoc basis when significant issues arise relating to the YTL Power Group and when necessary to review the progress of its operating subsidiaries in achieving their strategic goals. The Board met 5 times during the financial year ended 30 June 2009. Details of each Director's attendance of the Board meetings are disclosed in the Profile of the Board of Directors in this Annual Report.

The Directors are fully apprised of the need to determine and disclose potential or actual conflicts of interest which may arise in relation to transactions or matters which come before the Board. In accordance with applicable laws and regulations, the Directors formally disclose any direct or indirect interests or conflicts of interests in such transactions or matters as and when they arise and abstain from deliberations and voting at Board meetings as required.

The Directors have full and unrestricted access to all information pertaining to the YTL Power Group's business and affairs to enable them to discharge their duties. There are matters specifically reserved for the Board's decision to ensure that the direction and control of the YTL Power Group rests firmly with the Board.

Prior to each Board meeting, all Directors receive the agenda together with a comprehensive set of Board papers encompassing qualitative and quantitative information relevant to the business of the meeting. This allows the Directors to obtain further explanations or clarifications, where necessary, in order to be properly briefed before each meeting. A record of the Board's deliberations of the issues discussed and conclusions reached in discharging its duties and responsibilities is captured in the minutes of each meeting, prepared by the Company Secretary, who ensures that accurate and proper records of the proceedings of Board meetings and resolutions passed are recorded and kept in the statutory register at the registered office of YTL Power Group.

Board papers are presented in a consistent, concise and comprehensive format, and include, where relevant to the proposal put forward for the Board's deliberation, approval or knowledge, progress reports on the YTL Power Group's operations and detailed information on corporate proposals, major fund-raising exercises and significant acquisitions and disposals. Where necessary or prudent, professional advisers may be on hand to provide further information and respond directly to Directors' queries. In order to maintain confidentiality, Board papers on issues that are deemed to be price-sensitive may be handed out to Directors during the Board meeting.

All Directors have full access to the advice and services of the Company Secretary who consistently ensures that Board procedures are adhered to at all times during meetings and advises the Board on matters including corporate governance issues and the Directors' responsibilities in complying with relevant legislation and regulations.

APPOINTMENT & RE-ELECTION OF DIRECTORS

The appointment of Directors is undertaken by the Board as a whole. The Managing Director recommends candidates suitable for appointment to the Board, and the final endorsement lies with the entire Board to ensure that the required mix of skills, experience and expertise of members of the Board is sufficient to address the issues affecting the YTL Power Group. In its deliberations, the Board is required to take into account the integrity, professionalism, skill, knowledge, expertise and experience of the proposed candidate. In accordance with the Board's procedures, deliberations and conclusions in this process reached are recorded by the Company Secretary. During the financial year under review, there were no new appointments to the Board.

In accordance with the Company's Articles of Association, at least one-third of the Directors are required to retire from office at each Annual General Meeting ("AGM") and may offer themselves for re-election by rotation. Directors who are appointed by the Board during the financial year are subject to re-election by shareholders at the next AGM held following their appointments. Directors who are over seventy years of age are required to submit themselves for re-appointment by shareholders annually in accordance with Section 129 of the Companies Act 1965. The names and details of Directors seeking re-election at the forthcoming AGM are disclosed in the Notice of AGM and the Profile of the Board of Directors, respectively, in this Annual Report.

In accordance with the Listing Requirements, each member of the Board holds not more than ten directorships in public listed companies and not more than fifteen directorships in non-public listed companies. This ensures that their commitment, resources and time are focused on the affairs of the YTL Power Group, thereby enabling them to discharge their duties effectively.

DIRECTORS' REMUNERATION

Directors' remuneration is decided in line with the objective recommended by the Code to determine the remuneration for Directors so as to attract, retain, motivate and incentivise Directors of the necessary calibre needed to lead the YTL Power Group successfully. In general, the remuneration of the directors is reviewed against the performance of the individual and the YTL Power Group. The Executive Directors' remuneration consists of basic salary, other emoluments and other customary benefits as appropriate to a senior management member. The component parts of remuneration are structured so as to link rewards to performance. Directors do not participate in decisions regarding their own remuneration packages and Directors' fees must be approved by shareholders at the AGM.

Details of the aggregate remuneration of Directors categorised into appropriate components and the range of remuneration for each Director can be found in Note 9 to the Financial Statements in this Annual Report. Details are not shown with reference to Directors individually, both for security reasons and because the Board believes that such information will not add significantly to the understanding and evaluation of the YTL Power Group's standards of corporate governance.

DIALOGUE WITH SHAREHOLDERS & INVESTORS

The YTL Power Group values dialogue with investors and constantly strives to improve transparency by maintaining channels of communication with shareholders and investors that enable the Board to convey information about performance, corporate strategy and other matters affecting shareholders' interests. The Board believes that a constructive and effective investor relationship is essential in enhancing shareholders value and recognises the importance of timely dissemination of information to shareholders. Accordingly, the Board ensures that shareholders are kept well-informed of any major developments of the YTL Power Group. Such information is communicated through the Annual Report, the various disclosures and announcements to Bursa Securities, including quarterly and annual results, and corporate websites.

The Managing Director and the Executive Directors meet with analysts, institutional shareholders and investors throughout the year not only to promote the dissemination of the YTL Power Group's financial results but to provide updates on strategies and new developments to ensure mutual understanding of the YTL Power Group's operations and activities. Presentations based on permissible disclosures are made to explain the YTL Power Group's performance and major development programs. Whilst efforts are made to provide as much information as possible to its shareholders and stakeholders, the Directors are cognisant of the legal and regulatory framework governing the release of material and sensitive information so as to not mislead its shareholders. Therefore, information that is price-sensitive or that may be regarded as undisclosed material information about the YTL Power Group is not disclosed to any party until after the prescribed announcement to Bursa Securities has been made.

The AGM is the principal forum for dialogue with shareholders. The Board provides opportunities for shareholders to raise questions pertaining to issues in the Annual Report, corporate developments in the YTL Power Group, the resolutions being proposed and the business of the YTL Power Group in general at every AGM and extraordinary general meeting of the Company. The notice of the AGM and a circular to shareholders in relation to the renewal of the Company's share buy-back and recurrent related party transactions mandates are sent to shareholders at least 21 days prior to the AGM in accordance with the Listing Requirements and the Companies Act 1965 in order to enable shareholders to review the YTL Power Group's financial and operational performance for the financial year and to fully evaluate new resolutions being proposed.

The Managing Director and Executive Directors takes the opportunity to present a comprehensive review of the progress and performance of the YTL Power Group, and provide appropriate answers in response to shareholders' questions during the meeting, thereby ensuring a high level of accountability, transparency and identification with the YTL Power Group's business operations, strategy and goals. Each item of special business included in the notice of the meeting is accompanied by an explanatory statement for the proposed resolution to facilitate full understanding and evaluation of issues involved.

During the course of each financial year, the Company ensures prompt and timely release and dissemination of quarterly results, announcements, circulars and notices to enable shareholders to keep abreast of the YTL Power Group's financial and operational performance and to make informed decisions with regards to significant corporate developments.

THE AUDIT COMMITTEE

The Company has in place an Audit Committee which comprises 3 Non-Executive Directors in compliance with the Code and the Listing Requirements which require all the members of the Audit Committee to be Non-Executive Directors.

The Audit Committee holds quarterly meetings to review matters including the YTL Power Group's financial reporting, the audit plans for the financial year and recurrent related party transactions, as well as to deliberate the findings of the internal and external auditors.

The Audit Committee met 5 times during the financial year ended 30 June 2009. Full details of the composition, complete terms of reference and a summary of the activities of the Audit Committee during the financial year are set out in the Audit Committee Report in this Annual Report.

FINANCIAL REPORTING

The Directors are responsible for ensuring that financial statements are drawn up in accordance with the Companies Act 1965 and MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities. In presenting the financial statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates to present a true and fair assessment of the Company's position and prospects. Quarterly financial statements were reviewed by the Audit Committee and approved by the Board prior to release to Bursa Securities and the Securities Commission.

The Statement by Directors made pursuant to Section 169 of the Companies Act 1965, is set out in this Annual Report.

INTERNAL CONTROL & INTERNAL AUDIT

The Board acknowledges its overall responsibility for maintaining a sound system of internal control to safeguard the investment of its shareholders and the YTL Power Group's assets. Details of the YTL Power Group's system of internal control and its internal audit functions are contained in the Statement on Internal Control and the Audit Committee Report in this Annual Report.

RELATIONSHIP WITH THE AUDITORS

The Board has established formal and professional arrangements for maintaining an appropriate relationship with the Company's external auditors, Messrs PricewaterhouseCoopers. The external auditors also attend each AGM in order to address clarifications sought pertaining to the financial statements by shareholders.

ADDITIONAL DISCLOSURE

- **Employee Retention Policies**: YTL Power's Employees' Share Option Scheme ("ESOS") was approved by shareholders at an extraordinary general meeting in October 2001. Details of the number of ESOS options granted during the year under review can be found in the Directors' Report in the Financial Statements in this Annual Report.

  The Board believes that maintaining the calibre of its employees is vital to ensure the continued success of the YTL Power Group and the consequent increase in returns to shareholders. To these ends, the YTL Power Group has implemented various staff retention and assessment practices in addition to the ESOS including a Thirteenth Month wage supplement, annual bonuses and biannual reviews of staff performance.

- **Share Buy-Back Programme**: Details of the Company's share buy-back exercises for the year under review have also been included in this Annual Report.

The Board is satisfied that the Company has, in all material aspects, complied with the best practices of the Code as at 30 June 2009.

This statement was approved by the Board of Directors on 15 October 2009.

Statement on Internal Control

During the financial year under review, YTL Power International Berhad ("YTL Power" or "Company") and its subsidiaries ("YTL Power Group") continued to enhance the YTL Power Group's system of internal control and risk management, in order to better quantify its compliance with the Malaysian Code on Corporate Governance ("Code") and the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Board of Directors ("Board") acknowledges its overall responsibility for maintaining a sound system of internal control to safeguard the investment of its shareholders and the assets of the YTL Power Group, and that these controls are designed to provide reasonable, but not absolute, assurance against the risk of occurrence of material errors, fraud or losses.

RESPONSIBILITIES OF THE BOARD

The Board is ultimately responsible for maintaining a sound system of internal control which includes the establishment of an appropriate control environment framework to address the need to safeguard shareholders' investments and the assets of the YTL Power Group, and for reviewing the adequacy and integrity of the system. The system of internal control covers not only financial controls but operational and compliance controls and risk management. However, the Board recognises that reviewing the YTL Power Group's system of internal control is a concerted and continuing process, designed to minimise the likelihood of fraud and error, and to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, the system of internal control can only provide reasonable but not absolute assurance against material misstatement, fraud and loss.

The Board believes that the YTL Power Group's system of internal control, financial or otherwise in place for the year under review, should provide reasonable assurance regarding the achievement of the objectives of ensuring effectiveness and efficiency of operations, reliability and transparency of financial information and compliance with laws and regulations.

PRINCIPAL FEATURES OF THE YTL POWER GROUP'S SYSTEM OF INTERNAL CONTROL

The Board is committed to maintaining a sound internal control structure that includes processes for continuous monitoring and review of effectiveness of control activities, and to govern the manner in which the YTL Power Group and its staff conduct themselves. The principal features which formed part of the YTL Power Group's system of internal control can be summarised as follows:-

- **Authorisation Procedures:** The YTL Power Group has a clear definition of authorisation procedures and a clear line of accountability, with strict authorisation, approval and control procedures within the Board and the senior management. Responsibility levels are communicated throughout the YTL Power Group which set out, among others, authorisation levels, segregation of duties and other control procedures to promote effective and independent stewardship in the best interest of shareholders.

- **Authority Levels:** The YTL Power Group has delegated authority levels for major tenders, capital expenditure projects, acquisitions and disposals of businesses and other significant transactions to the Executive Directors. The approval of capital and revenue proposals above certain limits is reserved for decision by the Board. Other investment decisions are delegated for approval in accordance with authority limits. Comprehensive appraisal and monitoring procedures are applied to all major investment decisions.

  The authority of the Directors is required for decisions on key treasury matters including financing of corporate and investment funding requirements, foreign currency and interest rate risk management, investments, insurance and designation of authorised signatories.

- **Financial Performance:** Interim financial results are reviewed by the Audit Committee and approved by the Board upon recommendation of the Audit Committee before release to Bursa Securities. The full year financial results and analyses of the YTL Power Group's state of affairs are disclosed to shareholders after review and audit by the external auditors.

- **Internal Compliance:** The YTL Power Group monitors compliance with its internal financial controls through management reviews and reports which are internally reviewed by key personnel to enable it to gauge achievement of annual targets. Updates of internal policies and procedures are undertaken to reflect changing risks or resolve operational deficiencies, as well as changes to legal and regulatory compliance requirements relevant to the YTL Power Group. Internal audit visits are systematically arranged over specific periods to monitor and scrutinise compliance with procedures and assess the integrity of financial information provided.

KEY PROCESSES OF THE YTL POWER GROUP'S SYSTEM OF INTERNAL CONTROL

The key processes that the Board has established to review the adequacy and integrity of the system of internal control are as follows:-

- **Internal Audit Function:** The YTL Power Group's internal audit function is co-sourced by the YTL Corporation Berhad Group Internal Audit department ("YTLIA") and IBDC (Malaysia) Sdn Bhd ("IBDC"). Both YTLIA and IBDC provide independent assurance on the efficiency and effectiveness of the internal control systems implemented by management, and report directly to the Audit Committee. A description of the activities of the internal audit function can be found in the Audit Committee Report included in this Annual Report.

  YTLIA provides periodic reports to the Audit Committee, reporting on the outcome of the audits conducted which highlight the effectiveness of the system of internal control and significant risks. The Audit Committee reviews and evaluates the key concerns and issues raised by YTLIA and ensures that appropriate and prompt remedial action is taken by Management.

  None of the weaknesses or issues identified during the review for the financial year has resulted in non-compliance with any relevant policies or procedures, listing requirements or recommended industry practices that would require disclosure in the Company's Annual Report.

  The companies of the Wessex Water Limited group ("Wessex Water") based in the United Kingdom ("UK") were not covered by the internal audit process discussed above. Wessex Water's operations are subject to stringent financial and operational controls imposed by its regulator, the UK Water Services Regulation Authority (known as OFWAT), a government body, and by its Regulatory Licence. Wessex Water Services Limited ("WWSL") possesses its own internal audit department. The internal audit department reports to WWSL's audit committee, which has the responsibility to ensure the preservation of good financial practices and monitor the controls that are in place to ensure the integrity of those practices. It reviews the annual financial statements and provides a line of communication between the board of directors and the external auditors. It has formal terms of reference which deal with its authorities and duties.

  Costs amounting to approximately RM2,300,000.00 were incurred in relation to the internal audit function for the financial year ended 30 June 2009.

  The system of internal control will continue to be reviewed, enhanced and updated in line with changes in the operating environment. The Board will seek regular assurance on the continuity and effectiveness of the internal control system through independent appraisals by YTLIA and IBDC. The Board is of the view that the current system of internal control in place throughout the YTL Power Group is effective to safeguard its interests.

- **Senior Management Meetings:** The YTL Power Group conducts weekly meetings of the senior management which comprises Executive Directors and divisional heads. The purpose of these meetings is to deliberate and decide upon urgent company matters. Decisions can then be effectively communicated to relevant staff levels in a timely manner. From these meetings, the Board is able to identify significant operational and financial risks of the business units concerned.

- **Treasury Meetings:** Management meetings are convened to review, identify, discuss and resolve significant financial and treasury matters and to monitor the financial standing of the YTL Power Group are conducted on a weekly basis. These meetings ensure that any new financial developments and/or areas of concern are highlighted early and can be dealt with promptly. The members of this meeting comprise at least the YTL Power Group Managing Director, Executive Directors and senior managers.

- **Site Visits:** The Executive Directors undertake site visits to production and operating units and communicate with various levels of staff to gauge first-hand the effectiveness of strategies discussed and implemented. This is to ensure that Management and Executive Directors maintain a transparent and open channel of communication for effective operation.

RISK MANAGEMENT

The YTL Power Group's strong financial profile is the result of a system of internal control and risk management designed to mitigate risks which arise in the course of business. This is exemplified by the YTL Power Group's strategy of acquiring regulated assets and financing acquisitions on a non-recourse basis. These include YTL Power Generation Sdn Bhd, Wessex Water Limited and PowerSeraya Limited, as well as its indirect investment of 33.5% in ElectraNet Pty Ltd and 35% equity interest in P.T. Jawa Power. These assets share common characteristics of highly predictable operating costs and revenue streams, which in turn generate stable and predictable cash flows and profits, underpinned by an established regulatory environment in their respective markets of operation.

Statement on Internal Control

The Board acknowledges that all areas of the YTL Power Group's business activities involve some degree of risk. The YTL Power Group is committed to ensuring that there is an effective risk management framework which allows management to manage risks within defined parameters and standards, and promotes profitability of the YTL Power Group's operations in order to enhance shareholder value.

Identifying, evaluating and managing the significant risks faced by the YTL Power Group is an ongoing process which is undertaken at each level of operations. During the financial year under review, this function was exercised through participation of Executive Directors in management meetings to ensure the adequacy and integrity of the system of internal control. Emphasis is placed on reviewing and updating the process for identifying and evaluating the significant risks affecting the business, and policies and procedures by which these risks are managed.

Management is responsible for creating a risk-aware culture within the YTL Power Group and for the identification and evaluation of significant risks applicable to their areas of business, together with the design and operation of suitable internal controls. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources including control breakdowns, disruption in information systems, competition, natural catastrophe and regulatory requirements. Significant changes in the business and the external environment which affects significant risks will be reported by the Management to the Board in developing a risk mitigation action plan. Where areas for improvement in the system are identified, the Board considers the recommendations made by the Audit Committee and the internal auditors.

The Board will pursue its ongoing process of identifying, assessing and managing key business, operational and financial risks faced by its business units as well as regularly reviewing planned strategies to determine whether risks are mitigated and well-managed, and to ensure compliance with the guidelines issued by the relevant authorities. This is to ensure the YTL Power Group is able to respond effectively to the constantly changing business environment in order to protect and enhance stakeholders' interests and shareholder value.

CONCLUSION

The Board is of the view that the system of internal controls being instituted throughout the YTL Power Group is sound and effective. The monitoring, review and reporting arrangements in place give reasonable assurance that the structure and operation of controls are appropriate for the YTL Power Group's operations and that risks are at an acceptable level throughout the YTL Power Group's businesses. Nevertheless, reviews of all the control procedures will be continuously carried out to ensure the ongoing effectiveness and adequacy of the systems of internal control, so as to safeguard shareholders' investments and the YTL Power Group's assets.

This statement was approved by the Board of Directors on 15 October 2009.

Disclosure of Recurrent Related Party Transactions of a Revenue or Trading Nature

for the financial year ended 30 June 2009

At the last Annual General Meeting of YTL Power International Berhad ("YTL Power") held on 2 December 2008, the Company had obtained a mandate from its shareholders to allow YTL Power and/or its subsidiaries ("YTL Power Group") to enter into related party transactions which are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations of YTL Power or its subsidiaries ("Recurrent Related Party Transactions").

In accordance with Paragraph 10.09(2)(b) of Bursa Malaysia Securities Berhad Main Market Listing Requirements, details of the Recurrent Related Party Transactions conducted during the financial year ended 30 June 2009 pursuant to the said shareholder mandate are as follows:-

Company in the YTL Power Group involved in the Recurrent Related Party Transactions	Related Party	Nature of Transactions	Interested Related Parties	Nature of Relationship	Value of Transactions RM'000
YTL Power & YTL Power Generation Sdn Bhd	YTL Corporation[(b)] and its subsidiary and associate companies[(g)]	Provision of operation and maintenance services by Related Party	YTLSH[(a)]	Major Shareholder/ Person Connected[(1)]	138,250
			YTL Corporation[(b)]	Major Shareholder/ Person Connected[(2)]	
		Provision of hotel related services & provision of parking services by Related Party	Tan Sri Yeoh Tiong Lay[(c)]	Director/Major Shareholder/ Person Connected [(1)(2)(3)(4)(5)]	
			Yeoh Siblings[(d)]	Directors [(1)(2)(3)(4)(5)]	
			Directors' Spouses[(e)]	Person Connected[(4)(5)]	
			Other Yeoh Family[(f)]	Person Connected[(4)(5)]	

Definitions:-

(a)	YTLSH	–	Yeoh Tiong Lay & Sons Holdings Sdn Bhd
(b)	YTL Corporation	–	YTL Corporation Berhad
(c)	Tan Sri Yeoh Tiong Lay	–	Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay
(d)	Yeoh Siblings	–	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, Dato' Yeoh Seok Kian, Dato' Yeoh Soo Min, Dato' Yeoh Seok Hong, Dato' Sri Michael Yeoh Sock Siong, Dato' Yeoh Soo Keng & Dato' Mark Yeoh Seok Kah
(e)	Directors' Spouses	–	Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong, Datin Lim Lee Lee, Dato' Tan Kim Kuan, Datin Kathleen Chew Wai Lin, Datin Sri Tan Siew Bee, Choy Wai Hin, & Datin Julie Teh Chooi Gan
(f)	Other Yeoh Family	–	Tan Chien Wen, Yeoh Keong Hann, & Yeoh Pei Lou
(g)	Subsidiary and associate companies of YTL Corporation	–	Excluding YTL Power, YTL e-Solutions Berhad, YTL Cement Berhad, YTL Land & Development Berhad and their subsidiary and associate companies.

Notes:-

(1) YTLSH is a major shareholder of YTL Power and the Related Party. YTLSH is a person connected with Tan Sri Yeoh Tiong Lay and the Yeoh Siblings.

(2) YTL Corporation is a major shareholder of YTL Power and the Related Party. YTL Corporation is a person connected with Tan Sri Yeoh Tiong Lay and the Yeoh Siblings.

(3) Tan Sri Yeoh Tiong Lay is a major shareholder of YTLSH, YTL Corporation, YTL Power and the Related Party. Tan Sri Yeoh Tiong Lay is also a person connected with the Yeoh Siblings.

(4) Directors' Spouses and Other Yeoh Family are persons connected with Tan Sri Yeoh Tiong Lay and the Yeoh Siblings.

(5) Tan Sri Yeoh Tiong Lay and the Yeoh Siblings are Directors of YTL Corporation. Tan Sri Yeoh Tiong Lay, the Yeoh Siblings, Directors' Spouses and Other Yeoh Family are also shareholders of YTL Corporation.

Analysis of Share/Warrant Holdings

as at 30 September 2009

Class of shares : Ordinary Shares of RM0.50 each
Voting rights : One vote per shareholder on a show of hands or one vote per ordinary share on a poll

DISTRIBUTION OF SHAREHOLDINGS

Size of holding	No. of Shareholders	%	No. of Shares#	%#
Less than 100	4,732	13.28	186,011	0.00
100 – 1,000	5,801	16.28	2,565,518	0.04
1,001 – 10,000	19,476	54.66	70,190,455	1.19
10,001 – 100,000	4,887	13.71	124,839,402	2.12
100,001 to less than 5% of issued shares	736	2.07	2,215,319,915	37.51
5% and above of issued shares	2	0.00	3,492,798,720	59.14
Total	**35,634**	**100.00**	**5,905,900,021**	**100.00**

THIRTY LARGEST SHAREHOLDERS

(without aggregating securities from different securities accounts belonging to the same person)

	Name	No. of Shares	%#
1	YTL Corporation Berhad	2,872,346,929	48.64
2	Employees Provident Fund Board	620,451,791	10.51
3	Valuecap Sdn Bhd	186,873,700	3.16
4	Amanah Raya Nominees (Tempatan) Sdn Bhd – Skim Amanah Saham Bumiputera	159,118,117	2.69
5	Yeoh Tiong Lay & Sons Holdings Sdn Bhd	146,635,444	2.48
6	Kumpulan Wang Persaraan (Diperbadankan)	143,546,512	2.43
7	YTL Corporation Berhad	131,536,266	2.23
8	Bara Aktif Sdn Bhd	114,264,455	1.93
9	Mayban Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Yeoh Tiong Lay & Sons Holdings Sdn Bhd (414011602106)	110,864,000	1.88
10	Amanah Raya Nominees (Tempatan) Sdn Bhd – Amanah Saham Malaysia	68,827,760	1.17
11	Amanah Raya Nominees (Tempatan) Sdn Bhd – Amanah Saham Didik	67,882,400	1.15
12	Mayban Nominees (Tempatan) Sdn Bhd – Mayban Investment Management Sdn Bhd for Malayan Banking Berhad (N14011200618)	66,735,158	1.13
13	Malaysia Nominees (Tempatan) Sendirian Berhad – Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	56,855,469	0.96
14	Amanah Raya Nominees (Tempatan) Sdn Bhd – Amanah Saham Wawasan 2020	56,014,657	0.95
15	Lembaga Tabung Haji	53,889,046	0.91
16	Permodalan Nasional Berhad	46,490,500	0.79
17	Amanah Raya Nominees (Tempatan) Sdn Bhd – AS 1Malaysia	44,200,000	0.75
18	Citigroup Nominees (Tempatan) Sdn Bhd – Exempt An for American International Assurance Berhad	32,308,286	0.55
19	DB (Malaysia) Nominee (Asing) Sdn Bhd – Exempt An for Deutsche Bank Ag Singapore (PWM Asing)	26,845,300	0.45

	Name	No. of Shares	%#
20	HSBC Nominees (Tempatan) Sdn Bhd – Nomura Asset Mgmt Malaysia for Employees Provident Fund	24,148,626	0.41
21	HSBC Nominees (Asing) Sdn Bhd – Pictet and CIE for Pictet Funds (Lux) – Water	20,367,147	0.34
22	HSBC Nominees (Asing) Sdn Bhd – BBH and Co Boston for Vanguard Emerging Markets Stock Index Fund	18,604,327	0.32
23	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (Norges BK Lend)	15,263,825	0.26
24	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	13,552,343	0.23
25	Cartaban Nominees (Asing) Sdn Bhd – State Street for Ishares, INC.	13,507,275	0.23
26	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.K.)	12,874,700	0.22
27	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.A.E)	12,064,190	0.20
28	Tan Sri Dato' (Dr) Seri Yeoh Tiong Lay	10,096,250	0.17
29	Citigroup Nominees (Tempatan) Sdn Bhd – CMS Trust Management Berhad for Employees Provident Fund	10,083,400	0.17
30	Alliancegroup Nominees (Tempatan) Sdn Bhd – Pheim Asset Management Sdn Bhd for Employees Provident Fund	10,000,045	0.17
	Total	**5,166,247,918**	**87.48**

SUBSTANTIAL SHAREHOLDERS (as per register of substantial shareholders)

	No. of Shares Held			
Name	Direct	%#	Indirect	%#
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	274,583,842	4.65	3,011,682,893①	50.99
YTL Corporation Berhad	3,011,307,173	50.99	375,720②	0.01
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	10,096,250	0.17	3,286,266,735③	55.64
Employees Provident Fund Board	672,503,062	11.39	–	–

① Deemed interests by virtue of interests held by YTL Corporation Berhad & YTL Power Services Sdn Bhd pursuant to Section 6A of the Companies Act, 1965

② Deemed interests by virtue of interests held by YTL Power Services Sdn Bhd pursuant to Section 6A of the Companies Act, 1965

③ Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad & YTL Power Services Sdn Bhd pursuant to Section 6A of the Companies Act, 1965

Based on the issued and paid-up capital of the Company of RM2,981,286,383.00 comprising 5,962,572,766 ordinary shares net of 56,762,745 treasury shares retained by the Company as per Record of Depositors.

Analysis of Share/Warrant Holdings

as at 30 September 2008

Type of Securities : Warrants 2000/2010
Voting rights : One vote per Warrant 2000/2010 holder on a show of hands or one vote per Warrant 2000/2010 on a poll in respect of meeting of Warrant 2000/2010 holders

DISTRIBUTION OF WARRANTS 2000/2010 HOLDINGS

Size of holding	No. of Warrants 2000/2010 Holders	%	No. of Warrants 2000/2010	%
Less than 100	76	1.73	3,403	0.00
100 – 1,000	594	13.53	380,503	0.04
1,001 – 10,000	3,367	76.66	10,334,773	1.28
10,001 – 100,000	327	7.45	9,324,387	1.16
100,001 to less than 5% of issued warrants	27	0.61	60,962,400	7.56
5% and above of issued warrants	1	0.02	725,597,846	89.96
Total	**4,392**	**100.00**	**806,603,312**	**100.00**

THIRTY LARGEST WARRANTS 2000/2010 HOLDERS

(without aggregating securities from different securities accounts belonging to the same person)

	Name	No. of Warrants 2000/2010	%
1	YTL Corporation Berhad	725,597,846	89.96
2	Tenaga Nasional Berhad	35,337,000	4.38
3	Tenaga Nasional Berhad	15,000,000	1.86
4	DB (Malaysia) Nominee (Asing) Sdn Bhd – Exempt An for Deutsche Bank Ag Singapore (PWM Asing)	5,500,000	0.68
5	Yau Kich Poi	457,000	0.06
6	Teo Yong Ping (Zhang RongBin)	430,000	0.05
7	YTL Corporation Berhad	320,200	0.04
8	HLG Nominee (Tempatan) Sdn Bhd – Pledged Securities Account for Chua Eng Kiat (CCTS)	314,300	0.04
9	Pertubuhan Peladang Kebangsaan	300,000	0.04
10	Sim Kheng Hien	271,300	0.03
11	Mayban Nominees (Tempatan) Sdn Bhd – Lim Weng Jong	250,900	0.03
12	HDM Nominees (Asing) Sdn Bhd – Phillip Securities Pte Ltd for Mohsin Bin Mohamed	230,000	0.03
13	Ngor Kim Hock	227,000	0.03
14	Dato' Hj Mohamed Zainal Abidin Hj Abdul Kadir	220,000	0.03
15	Chong Weng Choy	200,000	0.02
16	HLG Nominee (Tempatan) Sdn Bhd – Hong Leong Bank Bhd for Yong Swee Kim	200,000	0.02
17	Lim Lee Koon	200,000	0.02
18	A Majid Bin Kassim	166,000	0.02
19	Izham Bin Mahmud	165,800	0.02

	Name	No. of Warrants 2000/2010	%
20	Kenanga Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Ding Lian Cheon	154,800	0.02
21	Hsiao, Wen-Fu	145,000	0.02
22	Chua Eng Kiat	140,000	0.02
23	RHB Capital Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Mizan Bin Yahya (CEB)	136,000	0.02
24	Ho Say Keng	129,000	0.02
25	Yoong Fook Ngian	120,000	0.01
26	YTL Corporation Berhad	120,000	0.01
27	Ong Chai Bee @ Ong Chong Chwee	118,100	0.01
28	Yang Choon Sang @ Yang Choon Siang	110,000	0.01
29	Citigroup Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Khor Thing Thiam (472926)	100,000	0.01
30	Eng Watt Ya @ Eng Watt Ying	100,000	0.01
	Total	**786,760,246**	**97.52**

Analysis of Share/Warrant Holdings
as at 30 September 2009

Type of Securities : Warrants 2008/2018
Voting rights : One vote per Warrant 2008/2018 holder on a show of hands or one vote per Warrant 2008/2018 on a poll in respect of meeting of Warrant 2008/2018 holders

DISTRIBUTION OF WARRANT 2008/2018 HOLDINGS

Size of holding	No. of Warrants 2008/2018 Holders	%	No. of Warrants 2008/2018	%
Less than 100	253	2.00	9,005	0.00
100 – 1,000	5,642	44.51	3,102,280	0.24
1,001 – 10,000	5,691	44.90	18,384,302	1.42
10,001 – 100,000	937	7.39	26,448,814	2.04
100,001 to less than 5% of issued warrants	150	1.18	152,864,981	11.79
5% and above of issued warrants	3	0.02	1,095,939,800	84.51
Total	**12,676**	**100.00**	**1,296,749,182**	**100.00**

THIRTY LARGEST WARRANTS 2008/2018 HOLDERS
(without aggregating securities from different securities accounts belonging to the same person)

	Name	No. of Warrants 2008/2018	%
1	YTL Corporation Berhad	934,096,562	72.03
2	Yeoh Tiong Lay & Sons Holdings Sdn Bhd	88,197,735	6.80
3	YTL Corporation Berhad	73,645,503	5.68
4	Bara Aktif Sdn Bhd	37,159,172	2.87
5	DB (Malaysia) Nominee (Asing) Sdn Bhd – Exempt An for Deutsche Bank Ag Singapore (PWM Asing)	35,329,592	2.72
6	Amanah Raya Nominees (Tempatan) Sdn Bhd – Amanah Saham Wawasan 2020	5,441,128	0.42
7	Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	4,407,266	0.34
8	Tan Sri Dato' (Dr) Seri Yeoh Tiong Lay	3,284,000	0.25
9	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (U.K.)	3,254,959	0.25
10	TM Asia Life Malaysia Bhd – As Beneficial Owner (PF)	2,000,000	0.15
11	Amsec Nominees (Asing) Sdn Bhd – James Hugh Alexander Hay (GZ0115)	1,988,000	0.15
12	YTL Corporation Berhad	1,926,666	0.15
13	DB (Malaysia) Nominee (Asing) Sdn Bhd – Deutsche Bank Ag Singapore for Pangolin Asia Fund	1,916,800	0.15
14	Ke-Zan Nominees (Asing) Sdn. Bhd. – Kim Eng Securities Pte. Ltd. for James Hay	1,700,000	0.13
15	Dato' Yeoh Soo Min	1,661,333	0.13
16	Dato' Yeoh Seok Kian	1,632,962	0.13
17	Dato' Yeoh Soo Keng	1,585,944	0.12
18	YTL Corporation Berhad	1,582,269	0.12
19	Dato' Sri Michael Yeoh Sock Siong	1,496,502	0.12

	Name	No. of Warrants 2008/2018	%
20	HLB Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Lim Chee Tat	1,458,600	0.11
21	Citigroup Nominees (Asing) Sdn Bhd – GSI for EFL Limited	1,392,740	0.11
22	HSBC Nominees (Asing) Sdn Bhd – Exempt An for JPMorgan Chase Bank, National Association (JPMINTL BK Ltd)	1,363,688	0.11
23	Key Development Sdn. Berhad	1,342,337	0.10
24	ChinChoo Investment Sdn. Berhad	1,327,339	0.10
25	KAF Trustee Berhad – KAF Fund Management Sdn Bhd for Abu Talib Bin Othman	1,290,000	0.10
26	Tng Geok Tin	1,261,000	0.10
27	Dato' Mark Yeoh Seok Kah	1,000,000	0.08
28	Bara Aktif Sdn Bhd	961,271	0.07
29	Amanah Saham Mara Berhad	930,494	0.07
30	UOBM Nominees (Asing) Sdn Bhd – Deutsche Bank Ag Singapore Branch (PBD) for Orchestral Harmony Limited	906,557	0.07
	Total	**1,215,540,419**	**93.73**

Statement of Directors' Interests

in the Company and related corporations as at 30 September 2009

THE COMPANY
YTL POWER INTERNATIONAL BERHAD

Name	No. of Shares Held Direct	%	Indirect	%	No. of Share Options Direct
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	10,096,250	0.17	3,287,515,185(1)(2)	56.66	14,000,000
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	14,945,040	0.25	–	–	14,000,000
Dato' Yeoh Seok Kian	5,021,360	0.09	1,345,941(1)	0.02	6,000,000
Dato' (Dr) Yahya Bin Ismail	634,833	0.01	38,610(1)	*	–
Mej Jen Dato' Haron Bin Mohd Taib (B)	–	–	112,898(1)	*	–
Dato' Yeoh Soo Min	5,108,601	0.09	823,424(1)	0.01	6,000,000
Dato' Yeoh Seok Hong	17,510,268	0.30	3,281,179(1)	0.06	10,000,000
Dato' Sri Michael Yeoh Sock Siong	4,601,744	0.08	1,019,291(1)	0.02	6,000,000
Dato' Yeoh Soo Keng	5,081,777	0.09	112,260(1)	*	6,000,000
Dato' Mark Yeoh Seok Kah	6,665,920	0.11	1,093,601(1)	0.02	6,000,000
Syed Abdullah Bin Syed Abd Kadir	2,181,203	0.04	524(1)	*	6,000,000
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	38,853	*	–	–	–
Tan Sri Datuk Seri Dr. Aris Bin Osman @ Othman	–	–	70,562(1)	*	–

Name	No. of Warrants 2000/2010 Held Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	726,098,046(6)	90.02
Dato' (Dr) Yahya Bin Ismail	4,000	*	6,000(1)	*
Dato' Yeoh Soo Keng	–	–	21,240(1)	*
Syed Abdullah Bin Syed Abd Kadir	87,000	0.01	–	–

Name	No. of Warrants 2008/2018 Held Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	3,284,000	0.25	1,101,227,922(1)(2)	84.92
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	4,860,175	0.37	–	–
Dato' Yeoh Seok Kian	1,632,962	0.13	450,000(1)	0.03
Dato' (Dr) Yahya Bin Ismail	206,450	0.02	–	–
Mej Jen Dato' Haron Bin Mohd Taib (B)	–	–	26,715(1)	*
Dato' Yeoh Soo Min	1,661,333	0.13	–	–
Dato' Sri Michael Yeoh Sock Siong	1,496,502	0.12	298,956(1)	0.02
Dato' Yeoh Soo Keng	1,585,944	0.12	36,507(1)	*
Dato' Mark Yeoh Seok Kah	1,000,000	0.08	–	–
Tan Sri Datuk Seri Dr. Aris Bin Osman @ Othman	–	–	23,200(1)	*

HOLDING COMPANY
YTL CORPORATION BERHAD

	No. of Shares Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	9,504,608	0.53	950,728,294[(1)(3)]	52.93
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	16,818,906	0.94	–	–
Dato' Yeoh Seok Kian	6,096,617	0.34	321,996[(1)]	0.02
Dato' (Dr) Yahya Bin Ismail	161,571	0.01	102,266[(1)]	0.01
Dato' Yeoh Soo Min	6,499,004	0.36	198,360[(1)]	0.01
Dato' Yeoh Seok Hong	5,137,219	0.29	3,972,962[(1)]	0.22
Dato' Sri Michael Yeoh Sock Siong	5,230,669	0.29	2,577,061[(1)]	0.14
Dato' Yeoh Soo Keng	5,816,821	0.32	84,964[(1)]	*
Dato' Mark Yeoh Seok Kah	3,588,408	0.20	623,355[(1)]	0.03
Syed Abdullah Bin Syed Abd Kadir	768,275	0.04	3,683[(1)]	*
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	5,222	*	–	–

	No. of Share Options	
Name	Direct	Indirect
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5,000,000	3,000,000[(1)]
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	5,000,000	400,000[(7)]
Dato' Yeoh Seok Kian	3,500,000	–
Dato' Yeoh Soo Min	3,000,000	–
Dato' Yeoh Seok Hong	3,000,000	400,000[(1)]
Dato' Sri Michael Yeoh Sock Siong	3,000,000	–
Dato' Yeoh Soo Keng	3,000,000	–
Dato' Mark Yeoh Seok Kah	3,000,000	–
Syed Abdullah Bin Syed Abd Kadir	3,000,000	–

ULTIMATE HOLDING COMPANY
YEOH TIONG LAY & SONS HOLDINGS SDN BHD

	No. of Shares Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	8,220,004	20.18	5,000,004[(1)]	12.28
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	5,000,000	12.28	–	–
Dato' Yeoh Seok Kian	5,000,000	12.28	–	–
Dato' Yeoh Soo Min	1,250,000	3.07	–	–
Dato' Yeoh Seok Hong	5,000,000	12.28	–	–
Dato' Sri Michael Yeoh Sock Siong	5,000,000	12.28	–	–
Dato' Yeoh Soo Keng	1,250,000	3.07	–	–
Dato' Mark Yeoh Seok Kah	5,000,000	12.28	–	–

Statement of Directors' Interests
in the Company and related corporations as at 30 September 2009

RELATED CORPORATIONS
YTL CEMENT BERHAD

Name	No. of Shares Held Direct	%	Indirect	%	No. of Share Options Direct
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,681,634	0.36	238,607,356(1)(4)	50.84	1,400,000
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	2,042,923	0.44	–	–	1,400,000
Dato' Yeoh Seok Kian	618,754	0.13	83,200(1)	0.02	350,000
Dato' (Dr) Yahya Bin Ismail	66,536	0.01	–	–	–
Mej Jen Dato' Haron Bin Mohd Taib (B)	–	–	44,428(1)	0.01	–
Dato' Yeoh Soo Min	225,634	0.05	138,357(1)	0.03	–
Dato' Yeoh Seok Hong	225,634	0.05	45,123(1)	0.01	–
Dato' Sri Michael Yeoh Sock Siong	1,265,634	0.27	1,109,388(1)	0.24	1,000,000
Dato' Yeoh Soo Keng	938,251	0.20	90,251(1)	0.02	700,000
Dato' Mark Yeoh Seok Kah	187,200	0.04	135,200(1)	0.03	–
Tan Sri Datuk Seri Dr. Aris Bin Osman @ Othman	–	–	15,600(1)	*	–

Name	No. of Irredeemable Convertible Unsecured Loan Stocks 2005/2015 Held Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,681,634	0.35	454,310,350(1)(4)	94.17
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1,727,423	0.36	–	–
Dato' Yeoh Seok Kian	618,754	0.13	100,000(1)	0.02
Dato' Yeoh Soo Min	225,634	0.05	–	–
Dato' Yeoh Seok Hong	225,634	0.05	45,123(1)	0.01
Dato' Sri Michael Yeoh Sock Siong	1,265,634	0.26	1,109,388(1)	0.23
Dato' Yeoh Soo Keng	818,251	0.17	–	–
Dato' Mark Yeoh Seok Kah	187,200	0.04	135,200(1)	0.03

YTL E-SOLUTIONS BERHAD

Name	No. of Shares Held Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	1,002,227,600(5)	74.50
Dato' Sri Michael Yeoh Sock Siong	–	–	1,905,500(1)	0.14
Dato' Yeoh Soo Keng	500,000	0.04	–	–
Syed Abdullah Bin Syed Abd Kadir	300,000	0.02	–	–
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	150,000	0.01	–	–

YTL LAND & DEVELOPMENT BERHAD

	No. of Shares Held			
Name	Direct	%	Indirect	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	496,307,832[(5)]	63.41
Dato' Yeoh Soo Min	–	–	547,300[(1)]	0.07
Dato' Yeoh Soo Keng	100,000	0.01	–	–

	No. of Irredeemable Convertible Preference Shares 2001/2011 Held			
Name	Direct	%	Indirect	%
Dato' Yeoh Seok Kian	240,000	0.13	–	–
Dato' Yeoh Soo Min	–	–	200,000[(1)]	0.11

INFOSCREEN NETWORKS PLC

	No. of Shares Held	
Name	Direct	%
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	100	*

YTL CORPORATION (UK) PLC

	No. of Shares Held	
Name	Direct	%
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	*

SYARIKAT PELANCONGAN SERI ANDALAN (M) SDN BHD

	No. of Shares Held	
Name	Direct	%
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1	*
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	*

YTL CONSTRUCTION (THAILAND) LIMITED

	No. of Shares Held	
Name	Direct	%
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	0.01
Dato' Yeoh Seok Kian	1	0.01
Dato' Yeoh Seok Hong	1	0.01
Dato' Sri Michael Yeoh Sock Siong	1	0.01
Dato' Mark Yeoh Seok Kah	1	0.01

* *Negligible*

(1) Deemed interests by virtue of interests held by spouse and/or children pursuant to Section 134(12)(c) of the Companies Act, 1965.
(2) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad and YTL Power Services Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.
(3) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.
(4) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad, YTL Power International Berhad and YTL Industries Berhad pursuant to Section 6A of the Companies Act, 1965.
(5) Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd and YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.
(6) Deemed interests by virtue of interests held by YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.
(7) Deemed interests by virtue of interests held in the name of deceased spouse in which the director, who is the legal representative, is entitled to exercise under the terms of the ESOS.

Other than as disclosed above, none of the other Directors had any interest in shares of the company or its related corporations.

Schedule of Share Buy-Back

for the financial year ended 30 June 2009

Save as disclosed below, there are no purchase for other months during the financial year:-

Monthly Breakdown	No. of Shares Purchased And Retained As Treasury Shares	Purchase Price Per Share (RM)		Average Cost Per Share (RM)	Total Cost (RM)
		Lowest	Highest		
July 2008	15,334,100	1.70	1.86	1.79661	27,549,330.52
August 2008	5,893,300	1.71	1.88	1.79328	10,568,351.52
September 2008	16,435,500	1.72	1.83	1.78115	29,274,168.60
October 2008	2,402,300	1.67	1.76	1.71214	4,113,080.29
February 2009	100	1.94	1.94	2.35060	235.06
Total	**40,065,300**			**1.78472**	**71,505,165.99**

During the financial year, all the shares purchased by the Company were retained as treasury shares. On 22 September 2008, a total of 137,819,391 treasury shares were distributed as share dividend to the shareholders on the basis of one (1) treasury share for every forty (40) ordinary shares held on 11 September 2008. As at 30 June 2009, the number of treasury shares held was 56,651,745. None of the treasury shares were resold or cancelled during the financial year.

List of Properties
as at 30 June 2009

Location	Tenure	Land Area	Description and Existing Use	Built up Area (sq.m.)	Approximate Age of Building (years)	Lease Expiry Date	Net Book Value as at 30 June 2009 RM'000	Date of Acquisition
Lot No. PT2467 HS (D) 340 Mukim of Kuala Paka Terengganu	Leasehold	16.187 hectare	Power plant	–	14	Year 2018	1,135,220	3.12.1995
Lot No. PT64062 HS (D) 69515 Mukim of Plentong Johor	Leasehold	2.0577 hectare	Power plant	–	14	Year 2018	619,409	3.12.1995
Avonmouth STW Kings Weston Lane Avonmouth Bristol BS11 OYS United Kingdom	Freehold	394,600 sq.m.	Sewerage treatment works	–	–	–	354,575	21.5.2002
Poole STW Cabot Lane Poole, Dorset BH17 7BX United Kingdom	Freehold	91,800 sq.m.	Sewerage treatment works	–	–	–	294,905	21.5.2002
Maudown Water Treatment Works Maudown, Wiveliscombe Taunton, TA4 2UN United Kingdom	Freehold	68,500 sq.m.	Water treatment works	–	–	–	217,845	21.5.2002
Claverton Down Road Bath BA2 7WW United Kingdom	Freehold	27,100 sq.m.	Head Office, Operation Centre	5,640	9	–	172,747	21.5.2002
W-S-Mare STW Accomodation Road Bleadon, Weston Super Mare BS24 OAP United Kingdom	Freehold	157,500 sq.m.	Sewerage treatment works	–	–	–	130,145	21.5.2002
Holdenhurst STW Riverside Ave Castle Lane East Bournemouth Dorset BH7 7ES United Kingdom	Freehold	102,000 sq.m.	Sewerage treatment works	–	–	–	74,974	21.5.2002

List of Properties
as at 30 June 2009

Location	Tenure	Land Area	Description and Existing Use	Built up Area (sq.m.)	Approximate Age of Building (years)	Lease Expiry Date	Net Book Value as at 30 June 2009 RM'000	Date of Acquisition
Pulau Seraya Lot 562X 365K and 715P Singapore	Leasehold	875,150 sq.m.	Power plant	–	–	–	66,952	6.3.2009
Ham Lane STW Creech St. Michael Taunton, Somerset TA3 5NU United Kingdom	Freehold	120,000 sq.m.	Sewerage treatment works	–	–	–	64,123	21.5.2002

Contents

Financial Statements

Directors' Report
for the financial year ended 30 June 2009

The Directors are pleased to submit their annual report to the members together with the audited financial statements of the Group and the Company for the financial year ended 30 June 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of administrative and technical support services.

The principal activities of the subsidiaries are set out in Note 16(a) to the financial statements. There have been no significant changes in the nature of these activities during the financial year except that the Group acquired PowerSeraya Limited and YTL Communications Sdn Bhd which provide operating energy facilities and undertake oil trading activities and provide wire line and wireless broadband access respectively.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	646,593	593,563
Attributable to:		
Equity holders of the Company	646,605	593,563
Minority interests	(12)	–
	646,593	593,563

DIVIDENDS

Dividends on ordinary shares paid or declared by the Company since 30 June 2008 were as follows:

	RM'000
In respect of the financial year ended 30 June 2008:	
- A final tax exempt dividend of 7.5%, paid on 26 December 2008	214,830
In respect of the financial year ended 30 June 2009:	
- First interim dividend of 6% less 25% tax and 3% single tier paid on 20 January 2009	217,074
- Second interim dividend of 7.5% tax exempt paid on 26 March 2009	218,234
- Third interim dividend of 7.5% tax exempt declared on 21 May 2009 and paid on 16 July 2009	219,503
	869,641

The Board of Directors has recommended a final 3.75% single tier dividend for the financial year ended 30 June 2009 subject to the approval by the shareholders at the forthcoming Annual General Meeting.

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

SHARE CAPITAL

The issued and fully paid up share capital of the Company was increased from RM2,721,320,205 to RM2,955,140,272 following the exercise of 608,500 ESOS at exercise prices ranging from RM1.32 to RM1.90 per share and the exercise of 467,031,634 Warrants at exercise prices ranging from RM1.17 to RM1.25 per Warrant on the basis of one (1) new ordinary share for every one (1) Warrant exercised. The new ordinary shares of 50 sen each rank pari passu in all respects with the existing issued shares of the Company.

The total number of unexercised Warrants as at 30 June 2009 amounted to 2,155,326,715.

TREASURY SHARES

The shareholders of the Company, by a resolution passed in the 12th Annual General Meeting held on 2 December 2008, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

Details of treasury shares are set out in Note 29(b) to the financial statements.

EMPLOYEES' SHARE OPTION SCHEME

At the Extraordinary General Meeting of the Company held on 16 October 2001, the shareholders of the Company approved an Employees' Share Option Scheme ('ESOS' or 'Scheme') for employees and Executive Directors of the Company and its subsidiaries who meet the criteria of eligibility for participation in the ESOS.

Details of the ESOS are set out in Note 28(c) to the financial statements.

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose in this report the name of the persons who have been granted less than 3,000,000 number of share options and details of their holdings. Details of grantees granted 3,000,000 or more share options during the financial year are as follows:

Name of option holders	Number of share options
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	7,000,000
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	7,000,000
Dato' Yeoh Seok Kian	3,000,000
Dato' Yeoh Soo Min	3,000,000
Dato' Yeoh Seok Hong	5,000,000
Dato' Sri Michael Yeoh Sock Siong	3,000,000
Dato' Yeoh Soo Keng	3,000,000
Dato' Mark Yeoh Seok Kah	3,000,000
Syed Abdullah bin Syed Abd Kadir	3,000,000

DIRECTORS

The Directors who have held office during the period since the date of the last report are as follows:

Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE
Tan Sri Datuk Dr. Aris Bin Osman @ Othman
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng
Dato' Yeoh Seok Kian
Dato' (Dr) Yahya Bin Ismail
Mej. Jen. Dato' Haron Bin Mohd Taib (B)
Dato' Yeoh Soo Min
Dato' Yeoh Seok Hong
Dato' Sri Michael Yeoh Sock Siong
Dato' Yeoh Soo Keng
Dato' Mark Yeoh Seok Kah
Syed Abdullah Bin Syed Abd. Kadir

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' shareholdings, particulars of interests of Directors who held office at the end of the financial year in shares of the Company and its related corporations are as follows:

	Number of ordinary shares of RM0.50 each in the Company			
	At 1 July 2008	Acquired	Disposed	**At 30 June 2009**
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	9,850,000	246,250	–	**10,096,250**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE,FICE	14,580,529	364,511	–	**14,945,040**
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	28,430	10,423	–	**38,853**
Dato' Yeoh Seok Kian	4,898,888	122,472	–	**5,021,360**
Dato' (Dr) Yahya Bin Ismail	619,351	15,482	–	**634,833**
Dato' Yeoh Soo Min	4,984,001	124,600	–	**5,108,601**
Dato' Yeoh Seok Hong	7,137,916	10,372,352	–	**17,510,268**
Dato' Sri Michael Yeoh Sock Siong	4,489,507	112,237	–	**4,601,744**
Dato' Yeoh Soo Keng	4,757,832	323,945	–	**5,081,777**
Dato' Mark Yeoh Seok Kah	5,643,623	1,022,297	–	**6,665,920**
Syed Abdullah Bin Syed Abd. Kadir	2,128,003	53,200	–	**2,181,203**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	3,207,199,404(1)(2)	80,294,781	58,000	**3,287,436,185(1)(2)**
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	49,329(1)	1,233	–	**50,562(1)**
Dato' Yeoh Seok Kian	1,215,553(1)	130,388	–	**1,345,941(1)**
Dato' (Dr) Yahya Bin Ismail	37,669(1)	941	–	**38,610(1)**
Mej. Jen. Dato' Haron Bin Mohd Taib (B)	110,145(1)	2,753	–	**112,898(1)**
Dato' Yeoh Soo Min	411,876(1)	15,296	–	**427,172(1)**
Dato' Yeoh Seok Hong	2,399,949(1)	881,230	–	**3,281,179(1)**
Dato' Sri Michael Yeoh Sock Siong	896,870(1)	122,421	–	**1,019,291(1)**
Dato' Yeoh Soo Keng	109,522(1)	2,738	–	**112,260(1)**
Dato' Mark Yeoh Seok Kah	805,106(1)	288,495	–	**1,093,601(1)**
Syed Abdullah Bin Syed Abd. Kadir	512(1)	12	–	**524(1)**

	Number of Warrants in the Company			
	At 1 July 2008	Acquired	Exercised/ Disposed	At 30 June 2009
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay				
– Warrants 2008/2018	3,284,000	–	–	**3,284,000**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE				
– Warrants 2008/2018	4,860,175	–	–	**4,860,175**
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng				
– Warrants 2008/2018	9,476	–	9,476	–
Dato' (Dr) Yahya Bin Ismail				
– Warrants 2000/2010	4,000	–	–	**4,000**
– Warrants 2008/2018	206,450	–	–	**206,450**
Dato' Yeoh Seok Kian				
– Warrants 2008/2018	1,632,962	–	–	**1,632,962**
Dato' Yeoh Soo Min				
– Warrants 2008/2018	1,661,333	–	–	**1,661,333**
Dato' Yeoh Seok Hong				
– Warrants 2008/2018	8,861,405	–	8,861,405	–
Dato' Sri Michael Yeoh Sock Siong				
– Warrants 2008/2018	1,496,502	–	–	**1,496,502**
Dato' Yeoh Soo Keng				
– Warrants 2008/2018	1,585,944	–	–	**1,585,944**
Dato' Mark Yeoh Seok Kah				
– Warrants 2008/2018	1,881,207	–	881,207	**1,000,000**
Syed Abdullah Bin Syed Abd. Kadir				
– Warrants 2000/2010	87,000	–	–	**87,000**

	Number of Warrants in the Company			
	At 1 July 2008	Acquired	Exercised/ Disposed	At 30 June 2009
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay				
– Warrants 2000/2010	726,210,046(3)	–	112,000	**726,098,046(7)**
– Warrants 2008/2018	1,101,306,922(1)(2)	–	–	**1,101,306,922(1)(2)**
Tan Sri Datuk (Dr) Aris Bin Osman @ Othman				
– Warrants 2008/2018	23,200(1)	–	–	**23,200(1)**
Dato' Yeoh Seok Kian				
– Warrants 2008/2018	450,000(1)	–	–	**450,000(1)**
Dato' (Dr) Yahya Bin Ismail				
– Warrants 2000/2010	6,000(1)	–	–	**6,000(1)**
Mej. Jen. Dato' Haron Bin Mohd Taib (B)				
– Warrants 2000/2010	24,000(1)	–	24,000	–
– Warrants 2008/2018	36,715(1)	–	10,000	**26,715(1)**
Dato' Yeoh Soo Min				
– Warrants 2000/2010	58,960(1)	–	–	**58,960(1)**
– Warrants 2008/2018	137,292(1)	–	–	**137,292(1)**
Dato' Yeoh Seok Hong				
– Warrants 2000/2010	–	2,666	2,666	–
– Warrants 2008/2018	799,982(1)	4,560	804,542	–
Dato' Sri Michael Yeoh Sock Siong				
– Warrants 2000/2010	100,000(1)	–	100,000	–
– Warrants 2008/2018	298,956(1)	–	–	**298,956(1)**
Dato' Yeoh Soo Keng				
– Warrants 2000/2010	21,240(1)	–	–	**21,240(1)**
– Warrants 2008/2018	36,507(1)	–	–	**36,507(1)**
Dato' Mark Yeoh Seok Kah				
– Warrants 2008/2018	268,368(1)	–	268,368	–

	Number of share options over ordinary shares of RM0.50 each			
	At 1 July 2008	Granted	Exercised	At 30 June 2009
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	7,000,000	7,000,000	–	**14,000,000**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	7,000,000	7,000,000	–	**14,000,000**
Dato' Yeoh Seok Kian	3,000,000	3,000,000	–	**6,000,000**
Dato' Yeoh Soo Min	3,000,000	3,000,000	–	**6,000,000**
Dato' Yeoh Seok Hong	5,000,000	5,000,000	–	**10,000,000**
Dato' Sri Michael Yeoh Sock Siong	3,000,000	3,000,000	–	**6,000,000**
Dato' Yeoh Soo Keng	3,000,000	3,000,000	–	**6,000,000**
Dato' Mark Yeoh Seok Kah	3,000,000	3,000,000	–	**6,000,000**
Syed Abdullah Bin Syed Abd Kadir	3,000,000	3,000,000	–	**6,000,000**

	Number of ordinary shares of RM0.50 each			
	At 1 July 2008	Acquired	Disposed	**At 30 June 2009**
Holding Company				
YTL Corporation Berhad				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	8,200,894	1,117,350	–	**9,318,244**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	14,203,652	2,285,472	–	**16,489,124**
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	5,120	–	–	**5,120**
Dato' Yeoh Seok Kian	5,321,210	655,866	–	**5,977,076**
Dato' (Dr) Yahya Bin Ismail	237,242	–	–	**237,242**
Dato' Yeoh Soo Min	6,371,573	–	–	**6,371,573**
Dato' Yeoh Seok Hong	5,036,490	–	–	**5,036,490**
Dato' Sri Michael Yeoh Sock Siong	4,577,997	550,110	–	**5,128,107**
Dato' Yeoh Soo Keng	5,048,166	654,600	–	**5,702,766**
Dato' Mark Yeoh Seok Kah	3,246,248	271,800	–	**3,518,048**
Syed Abdullah Bin Syed Abd. Kadir	752,611	600	–	**753,211**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	794,932,467(1)(4)	137,154,097	–	**932,086,564**(1)(4)
Dato' Yeoh Seok Kian	510,683(1)	5,000	200,000	**315,683**(1)
Dato' (Dr) Yahya Bin Ismail	100,261(1)	1,000	1,000	**100,261**(1)
Dato' Yeoh Soo Min	189,471(1)	5,000	–	**194,471**(1)
Dato' Yeoh Seok Hong	3,228,126(1)	666,936	–	**3,895,062**(1)
Dato' Sri Michael Yeoh Sock Siong	2,526,451(1)	80	–	**2,526,531**(1)
Dato' Yeoh Soo Keng	68,899(1)	14,400	–	**83,299**(1)
Dato' Mark Yeoh Seok Kah	611,133(1)	–	–	**611,133**(1)
Syed Abdullah Bin Syed Abd. Kadir	2,937(1)	674	–	**3,611**(1)

	Number of Warrants 1999/2009			
	At 1 July 2008	Acquired	Exercised/ Disposed	**At 30 June 2009**
Holding Company				
YTL Corporation Berhad				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,117,350	–	1,117,350	–
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	2,285,472	–	2,285,472	–
Dato' Yeoh Seok Kian	655,866	–	655,866	–
Dato' (Dr) Yahya Bin Ismail	42,000	–	42,000	–
Dato' Yeoh Seok Hong	648,372	–	648,372	–
Dato' Sri Michael Yeoh Sock Siong	550,110	–	550,110	–
Dato' Yeoh Soo Keng	654,600	–	654,600	–
Dato' Mark Yeoh Seok Kah	271,800	–	271,800	–
Syed Abdullah Bin Syed Abd. Kadir	600	–	600	–
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	187,154,097(1)(4)	–	187,154,097	–
Dato' (Dr) Yahya Bin Ismail	2,000(1)	–	2,000	–
Dato' Yeoh Seok Hong	–	651,972	651,972	–
Dato' Sri Michael Yeoh Sock Siong	547,180(1)	–	547,180	–
Dato' Yeoh Soo Keng	14,400(1)	–	14,400	–
Syed Abdullah Bin Syed Abd. Kadir	674(1)	–	674	–

	Number of share options over ordinary shares of RM0.50 each			
	At 1 July 2008	Granted	Exercised	**At 30 June 2009**
Holding Company				
YTL Corporation Berhad				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5,000,000	–	–	**5,000,000**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	5,000,000	–	–	**5,000,000**
Dato' Yeoh Seok Kian	3,500,000	–	–	**3,500,000**
Dato' Yeoh Soo Min	3,000,000	–	–	**3,000,000**
Dato' Yeoh Seok Hong	3,000,000	–	–	**3,000,000**
Dato' Sri Michael Yeoh Sock Siong	3,000,000	–	–	**3,000,000**
Dato' Yeoh Soo Keng	3,000,000	–	–	**3,000,000**
Dato' Mark Yeoh Seok Kah	3,000,000	–	–	**3,000,000**
Syed Abdullah Bin Syed Abd Kadir	3,000,000	–	–	**3,000,000**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	3,000,000[1]	–	–	**3,000,000**[1]
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	400,000[1a]	–	–	**400,000**[1a]
Dato' Yeoh Seok Hong	400,000[1]	–	–	**400,000**[1]

	Number of ordinary shares of RM1.00 each			
	At 1 July 2008	Acquired	Disposed	**At 30 June 2009**
Ultimate Holding Company				
Yeoh Tiong Lay & Sons Holdings Sdn Bhd				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	8,220,004	–	–	**8,220,004**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	5,000,000	–	–	**5,000,000**
Dato' Yeoh Seok Kian	5,000,000	–	–	**5,000,000**
Dato' Yeoh Soo Min	1,250,000	–	–	**1,250,000**
Dato' Yeoh Seok Hong	5,000,000	–	–	**5,000,000**
Dato' Sri Michael Yeoh Sock Siong	5,000,000	–	–	**5,000,000**
Dato' Yeoh Soo Keng	1,250,000	–	–	**1,250,000**
Dato' Mark Yeoh Seok Kah	5,000,000	–	–	**5,000,000**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5,000,004[1]	–	–	**5,000,004**[1]

Related Company YTL Cement Berhad	Number of ordinary shares of RM0.50 each At 1 July 2008	Acquired	Disposed	At 30 June 2009
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,681,634	–	–	**1,681,634**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	2,042,923	–	–	**2,042,923**
Dato' Yeoh Seok Kian	618,754	–	–	**618,754**
Dato' (Dr) Yahya Bin Ismail	81,536	–	15,000	**66,536**
Dato' Yeoh Soo Min	225,634	–	–	**225,634**
Dato' Yeoh Seok Hong	225,634	–	–	**225,634**
Dato' Sri Michael Yeoh Sock Siong	1,265,634	–	–	**1,265,634**
Dato' Yeoh Soo Keng	918,251	20,000	–	**938,251**
Dato' Mark Yeoh Seok Kah	187,200	–	–	**187,200**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	238,607,356 (1)(5)	–	–	**238,607,356 (1)(5)**
Tan Sri Datuk Dr. Aris Bin Osman @ Othman	15,600(1)	–	–	**15,600(1)**
Dato' Yeoh Seok Kian	83,200(1)	–	–	**83,200(1)**
Mej. Jen. Dato' Haron Bin Mohd Taib (B)	44,428(1)	–	–	**44,428(1)**
Dato' Yeoh Soo Min	138,357(1)	–	–	**138,357(1)**
Dato' Yeoh Seok Hong	45,123(1)	–	–	**45,123(1)**
Dato' Sri Michael Yeoh Sock Siong	1,109,388(1)	–	–	**1,109,388(1)**
Dato' Yeoh Soo Keng	90,251(1)	–	–	**90,251(1)**
Dato' Mark Yeoh Seok Kah	135,200(1)	–	–	**135,200(1)**

Related Company YTL Cement Berhad	Number of Irredeemable Convertible Unsecured Loan Stocks 2005/2015 At 1 July 2008	Acquired	Converted/ Disposed	At 30 June 2009
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,681,634	–	–	**1,681,634**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1,727,423	–	–	**1,727,423**
Dato' Yeoh Seok Kian	618,754	–	–	**618,754**
Dato' Yeoh Soo Min	225,634	–	–	**225,634**
Dato' Yeoh Seok Hong	225,634	–	–	**225,634**
Dato' Sri Michael Yeoh Sock Siong	1,265,634	–	–	**1,265,634**
Dato' Yeoh Soo Keng	818,251	–	–	**818,251**
Dato' Mark Yeoh Seok Kah	187,200	–	–	**187,200**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	454,310,350 (1)(5)	–	–	**454,310,350 (1)(5)**
Dato' Yeoh Seok Kian	100,000(1)	–	–	**100,000(1)**
Dato' Yeoh Seok Hong	45,123(1)	–	–	**45,123(1)**
Dato' Sri Michael Yeoh Sock Siong	1,109,388(1)	–	–	**1,109,388(1)**
Dato' Mark Yeoh Seok Kah	135,200(1)	–	–	**135,200(1)**

Directors' Report
for the financial year ended 30 June 2009

Related Company YTL Cement Berhad	Number of share options over ordinary shares of RM0.50 each			
	At 1 July 2008	Granted	Exercised	At 30 June 2009
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,400,000	–	–	**1,400,000**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1,400,000	–	–	**1,400,000**
Dato' Yeoh Seok Kian	350,000	–	–	**350,000**
Dato' Sri Michael Yeoh Sock Siong	1,000,000	–	–	**1,000,000**
Dato' Yeoh Soo Keng	700,000	–	–	**700,000**

Related Company YTL e-Solutions Berhad	Number of ordinary shares of RM0.10 each			
	At 1 July 2008	Acquired	Disposed	At 30 June 2009
Direct interests				
Tan Sri Dato' Lau Yin Pin @ Lau Yen Beng	150,000	–	–	**150,000**
Dato' (Dr) Yahya Bin Ismail	527,000	–	527,000	–
Dato' Yeoh Soo Keng	–	500,000	–	**500,000**
Syed Abdullah Bin Syed Abd Kadir	300,000	–	–	**300,000**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1,002,227,600(6)	–	–	**1,002,227,600(6)**
Dato' Sri Michael Yeoh Sock Siong	30,000(1)	1,257,300	–	**1,287,300(1)**

Related Company YTL Land & Development Berhad	Number of ordinary shares of RM0.50 each			
	At 1 July 2008	Acquired	Disposed	At 30 June 2009
Direct interests				
Dato' Yeoh Soo Keng	–	100,000	–	**100,000**
Deemed interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	495,461,832(6)	846,000	–	**496,307,832(6)**
Dato' Yeoh Soo Min	106,000(1)	468,300	–	**574,300(1)**

	Number of Irredeemable Convertible Preference shares 2001/2011 of RM0.50 each			
	At 1 July 2008	Acquired	Converted/ Disposed	**At 30 June 2009**
Related Company				
YTL Land & Development Berhad				
Direct interests				
Dato' Yeoh Seok Kian	240,000	–	–	**240,000**
Deemed interests				
Dato' Yeoh Soo Min	200,000(1)	–	–	**200,000(1)**

	Number of ordinary shares of RM1.00 each			
	At 1 July 2008	Acquired	Disposed	**At 30 June 2009**
Related Company				
Syarikat Pelancongan Seri Andalan (M) Sdn Bhd				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1	–	–	**1**
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	–	–	**1**

	Number of ordinary shares of £0.01 each			
	At 1 July 2008	Acquired	Disposed	**At 30 June 2009**
Related Company				
***Infoscreen Networks Plc**				
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	100	–	–	**100**

	Number of ordinary shares of £0.25 each			
	At 1 July 2008	Acquired	Disposed	**At 30 June 2009**
Related Company				
***YTL Corporation (UK) Plc**				
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	–	–	**1**

	Number/Amount (S$) of ordinary shares			
	At 1 July 2008	Acquired	Disposed	**At 30 June 2009**
Related Company				
^YTL Singapore Pte Ltd (formerly known as YTL Construction (S) Pte Ltd)				
Direct interests				
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	1	–	1	–
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	2	–	2	–

	Number of ordinary shares of THB100 each			
	At 1 July 2008	Acquired	Disposed	**At 30 June 2009**
Related Company				
+YTL Construction (Thailand) Pte Ltd				
Direct interests				
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE	1	–	–	**1**
Dato' Yeoh Seok Kian	1	–	–	**1**
Dato' Yeoh Seok Hong	1	–	–	**1**
Dato' Sri Michael Yeoh Sock Siong	1	–	–	**1**
Dato' Mark Yeoh Seok Kah	1	–	–	**1**

* *Incorporated in United Kingdom*
^ *Incorporated in Singapore*
\+ *Incorporated in Thailand*

(1) *Deemed interests by virtue of interests held by spouse and/or children pursuant to Section 134(12)(c) of the Companies Act, 1965.*
(1a) *Deemed interests by virtue of interests held in the name of deceased spouse in which the director, who is the legal representative, is entitled to exercise under the terms of the ESOS.*
(2) *Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad and YTL Power Services Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.*
(3) *Deemed interests by virtue of interests held by YTL Corporation Berhad and YTL Power Services Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.*
(4) *Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.*
(5) *Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd, YTL Corporation Berhad, YTL Industries Berhad and YTL Power International Berhad pursuant to Section 6A of the Companies Act, 1965.*
(6) *Deemed interests by virtue of interests held by Yeoh Tiong Lay & Sons Holdings Sdn Bhd and YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.*
(7) *Deemed interests by virtue of interests held by YTL Corporation Berhad pursuant to Section 6A of the Companies Act, 1965.*

Other than as disclosed above, the Directors who held office at the end of the financial year did not have interests in shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than Directors' remuneration disclosed in Note 9 to the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except that certain directors received remuneration from the Company's related corporations.

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other corporate body, other than the Company's Employees' Share Option Scheme.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the Income Statements and Balance Sheets were made out, the Directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; and

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and the Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

(a) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

Directors' Report
for the financial year ended 30 June 2009

ULTIMATE HOLDING COMPANY

The Directors regard Yeoh Tiong Lay & Sons Holdings Sdn Bhd, a company incorporated in Malaysia, as the Company's ultimate holding company.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 15 October 2009.

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE
Director

Dato' Yeoh Seok Hong
Director

Income Statements

for the financial year ended 30 June 2009

		Group		Company	
	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	6	6,093,394	4,242,518	789,474	1,517,140
Cost of sales		(3,868,573)	(2,171,057)	–	–
Gross profit		2,224,821	2,071,461	789,474	1,517,140
Other operating income		93,779	174,262	35,337	34,228
Administrative expenses		(194,782)	(185,540)	(27,247)	(27,897)
Other operating expenses		(84,971)	(88,546)	(18,284)	(27,201)
Finance costs	8	(877,459)	(795,825)	(181,998)	(97,187)
Share of results of associated companies	18	225,484	209,889	–	–
Profit before taxation	9	1,386,872	1,385,701	597,282	1,399,083
Taxation	10				
– Current tax		(192,961)	(344,867)	(3,726)	(49,645)
– Deferred tax		(104,850)	(1,988)	7	(10)
– Defered tax arising from change in legislation		(442,468)	–	–	–
		(740,279)	(346,855)	(3,719)	(49,655)
Profit for the year		646,593	1,038,846	593,563	1,349,428
Attributable to:					
– Equity holders of the Company		646,605	1,038,846	593,563	1,349,428
– Minority interests		(12)	–	–	–
		646,593	1,038,846	593,563	1,349,428
Earnings per share for profit attributable to the equity holders of the Company:					
– Basic (sen)	11	11.35	20.00		
– Diluted (sen)	11	9.94	15.67		
Dividend per ordinary share (sen)					
– RM0.50 each	12	15.75	12.50		

The notes set out on pages 77 to 148 form an integral part of these financial statements.

Balance Sheets

as at 30 June 2009

		Group		Company	
	Note	**2009 RM'000**	2008 RM'000	**2009 RM'000**	2008 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	**17,337,304**	15,089,793	**166**	253
Prepaid lease payment	14	**71,182**	3,171	**–**	–
Intangible assets	15	**6,408,936**	441,333	**–**	–
Subsidiaries	16	**–**	–	**10,132,357**	6,252,323
Associated companies	18	**977,005**	929,872	**5**	5
Investments	19	**654,449**	711,626	**96,338**	96,341
Receivables, deposits and prepayments	20	**57,811**	–	**–**	–
		25,506,687	17,175,795	**10,228,866**	6,348,922
Current assets					
Inventories	21	**818,872**	152,666	**–**	–
Receivables, deposits and prepayments	20	**2,379,582**	1,028,783	**40,818**	43,767
Derivatives financial instruments	22	**23,707**	–	**–**	–
Amount owing by immediate holding company	23	**6,380**	–	**6,380**	–
Amounts owing by subsidiaries	24	**–**	–	**605,665**	759,570
Short term investments	25	**47,201**	45,872	**47,201**	45,872
Fixed deposits	26	**5,620,570**	9,360,251	**482,084**	3,668,530
Cash and bank balances	27	**286,181**	63,509	**1,236**	4,507
		9,182,493	10,651,081	**1,183,384**	4,522,246
TOTAL ASSETS		**34,689,180**	27,826,876	**11,412,250**	10,871,168
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	28	**2,955,140**	2,721,320	**2,955,140**	2,721,320
Reserves	29	**3,146,784**	3,679,075	**4,019,815**	4,023,287
		6,101,924	6,400,395	**6,974,955**	6,744,607
Minority Interest		**126**	–	**–**	–
TOTAL EQUITY		**6,102,050**	6,400,395	**6,974,955**	6,744,607

The notes set out on pages 77 to 148 form an integral part of these financial statements.

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
LIABILITIES					
Non-current liabilities					
Deferred taxation	30	2,796,681	2,199,393	23	30
Bonds	31	9,305,913	9,649,749	2,072,180	2,038,729
Borrowings	32	11,084,550	3,878,551	1,020,000	553,891
Post-employment benefit obligations	33	253,145	315,352	–	–
Deferred income	34	198,257	133,917	–	–
Payables	35	9,320	10,614	–	–
		23,647,866	16,187,576	3,092,203	2,592,650
Current liabilities					
Payables and accrued expenses	36	2,122,264	1,006,284	232,677	23,046
Derivatives financial instruments	22	110,135	–	–	–
Provision for liabilities and charges	37	39,118	20,546	–	–
Post-employment benefit obligations	33	455	441	–	–
Amount owing to immediate and penultimate holding company	23	246	25	–	–
Amounts owing to subsidiaries	24	–	–	13,398	10,670
Amounts owing to related companies	38	79,494	57,219	713	124
Provision for taxation		121,667	123,142	–	–
Bonds	31	720,665	2,014,182	–	–
Borrowings	32	1,745,220	2,017,066	1,098,304	1,500,071
		4,939,264	5,238,905	1,345,092	1,533,911
TOTAL LIABILITIES		28,587,130	21,426,481	4,437,295	4,126,561
TOTAL EQUITY AND LIABILITIES		34,689,180	27,826,876	11,412,250	10,871,168

The notes set out on pages 77 to 148 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

for the financial year ended 30 June 2009

		Attributable to equity holders of the Company							
Group	Note	Share capital (Note 28) RM'000	Share premium (Note 29) RM'000	Merger and other reserves (Note 29 (a)) RM'000	Treasury shares (Note 29 (b)) RM'000	Retained earnings (Note 29 (c)) RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
At 1 July 2008		2,721,320	1,699,219	(2,037,888)	(360,149)	4,377,893	6,400,395	–	6,400,395
Loss not recognised in the Income Statement:									
– Exchange differences		–	–	(581,861)	–	–	(581,861)	–	(581,861)
Profit for the year		–	–	–	–	646,605	646,605	(12)	646,593
Exercise of share warrants		233,516	341,132	–	–	–	574,648	–	574,648
Exercise of share options		304	767	(28)	–	–	1,043	–	1,043
Final dividend paid for the year ended 30 June 2008	12	–	–	–	–	(214,830)	(214,830)	–	(214,830)
Interim dividends paid for the year ended 30 June 2009	12	–	–	–	–	(435,308)	(435,308)	–	(435,308)
Interim dividends declared and payable for the year ended 30 June 2009	12	–	–	–	–	(219,503)	(219,503)	–	(219,503)
Shares repurchased	29(b)	–	–	–	(71,505)	–	(71,505)	–	(71,505)
Share dividend distributed on 22 September 2008	29(b)	–	(311,844)	–	311,844	–	–	–	–
Share options granted	28(c)	–	–	2,240	–	–	2,240	–	2,240
Warrant reserve	29(a)	–	45,541	(45,541)	–	–	–	–	–
Minority interest arising from business combination	16 (b)(ii)	–	–	–	–	–	–	138	138
At 30 June 2009		2,955,140	1,774,815	(2,663,078)	(119,810)	4,154,857	6,101,924	126	6,102,050

The notes set out on pages 77 to 148 form an integral part of these financial statements.

Group	Note	Share capital (Note 28) RM'000	Share premium (Note 29) RM'000	Merger and other reserves (Note 29 (a)) RM'000	Treasury shares (Note 29 (b)) RM'000	Retained earnings (Note 29 (c)) RM'000	Total equity RM'000
		Attributable to equity holders of the Company					
At 1 July 2007		2,648,158	1,944,120	(2,089,520)	(402,763)	3,933,076	6,033,071
Loss not recognised in the Income Statement:							
– Exchange differences		–	–	(129,108)	–	–	(129,108)
Profit for the year		–	–	–	–	1,038,846	1,038,846
Exercise of share warrants		21,803	37,586	–	–	–	59,389
Exercise of share options		2,039	3,498	–	–	–	5,537
Conversion of bonds		49,320	159,462	–	–	–	208,782
Final dividend paid for the year ended 30 June 2007	12	–	–	–	–	(186,895)	(186,895)
Interim dividends paid for the year ended 30 June 2008	12	–	–	–	–	(397,138)	(397,138)
Shares repurchased	29(b)	–	–	–	(402,833)	–	(402,833)
Share dividend distributed on 7 January 2008	29(b)	–	(445,447)	–	445,447	–	–
Equity component of exchangeable bond	29(a)	–	–	(7,249)	–	–	(7,249)
Statutory reserves transfer from retained earnings	29(a)	–	–	9,996	–	(9,996)	–
Share options granted	28(c)	–	–	1,204	–	–	1,204
Warrant reserve	29(a)	–	–	176,789	–	–	176,789
At 30 June 2008		2,721,320	1,699,219	(2,037,888)	(360,149)	4,377,893	6,400,395

The notes set out on pages 77 to 148 form an integral part of these financial statements.

Statement of Changes in Equity

for the financial year ended 30 June 2009

			Non-Distributable		Distributable		
Company	**Note**	**Share capital (Note 28) RM'000**	**Share premium (Note 29) RM'000**	**Other reserve (Note 29(a)) RM'000**	**Treasury shares (Note 29(b)) RM'000**	**Retained earnings (Note 29(c)) RM'000**	**Total RM'000**
At 1 July 2008		**2,721,320**	**1,699,219**	**180,119**	**(360,149)**	**2,504,098**	**6,744,607**
Profit for the year		**–**	**–**	**–**	**–**	**593,563**	**593,563**
Exercise of share warrants		**233,516**	**341,132**	**–**	**–**	**–**	**574,648**
Exercise of share options		**304**	**767**	**(28)**	**–**	**–**	**1,043**
Final dividend paid for the year ended 30 June 2008	**12**	**–**	**–**	**–**	**–**	**(214,830)**	**(214,830)**
Interim dividends paid for the year ended 30 June 2009	**12**	**–**	**–**	**–**	**–**	**(435,308)**	**(435,308)**
Interim dividends declared and payable for the year ended 30 June 2009	**12**	**–**	**–**	**–**	**–**	**(219,503)**	**(219,503)**
Shares repurchased	**29(b)**	**–**	**–**	**–**	**(71,505)**	**–**	**(71,505)**
Share dividend distributed on 22 September 2008	**29(b)**	**–**	**(311,844)**	**–**	**311,844**	**–**	**–**
Share options granted	**28(c)**	**–**	**–**	**2,240**	**–**	**–**	**2,240**
Warrant reserve	**29(a)**	**–**	**45,541**	**(45,541)**	**–**	**–**	**–**
At 30 June 2009		**2,955,140**	**1,774,815**	**136,790**	**(119,810)**	**2,228,020**	**6,974,955**
At 1 July 2007		2,648,158	1,944,120	2,126	(402,763)	1,738,703	5,930,344
Profit for the year		–	–	–	–	1,349,428	1,349,428
Exercise of share warrants		21,803	37,586	–	–	–	59,389
Exercise of share options		2,039	3,498	–	–	–	5,537
Conversion of bonds		49,320	159,462	–	–	–	208,782
Final dividend paid for the year ended 30 June 2007	12	–	–	–	–	(186,895)	(186,895)
Interim dividends paid for the year ended 30 June 2008	12	–	–	–	–	(397,138)	(397,138)
Shares repurchased	29(b)	–	–	–	(402,833)	–	(402,833)
Share dividend distributed on 7 January 2008	29(b)	–	(445,447)	–	445,447	–	–
Share options granted	28(c)	–	–	1,204	–	–	1,204
Warrant reserve	29(a)	–	–	176,789	–	–	176,789
At 30 June 2008		2,721,320	1,699,219	180,119	(360,149)	2,504,098	6,744,607

The notes set out on pages 77 to 148 form an integral part of these financial statements.

Cash Flow Statements
for the financial year ended 30 June 2009

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Cash flows from operating activities					
Profit for the year		**646,593**	1,038,846	**593,563**	1,349,428
Adjustments for:					
Write back of allowance for doubtful debts		**(4,179)**	(24,478)	**–**	–
Amortisation of grant		**(5,376)**	(5,997)		–
Amortisation of prepaid lease payment		**1,668**	302	**–**	–
Depreciation of property, plant and equipment		**606,969**	599,335	**87**	87
Dividend income		**(42,040)**	(39,109)	**(688,796)**	(1,417,162)
Gain on disposal of investments		**(30)**	(468)	**(13)**	(461)
Gain on disposal of property, plant and equipment		**(3,972)**	(2,188)	**–**	(10)
Interest expense		**877,459**	795,825	**181,998**	97,187
Interest income		**(185,593)**	(397,837)	**(73,271)**	(72,724)
Provision for retirement benefits		**39,708**	41,584	**–**	–
Share of results of associated companies		**(225,484)**	(209,889)	**–**	–
Share options expenses		**2,232**	1,196	**760**	559
Property, plant and equipment written off		**20,348**	14,343	**–**	–
Taxation		**740,279**	346,855	**3,719**	49,655
Unrealised gain on foreign exchange		**(11,469)**	(34,993)	**(10,107)**	(33,756)
Provision for liabilities and charges		**3,034**	–	**–**	–
Write back of provision for fuel cost		**(207,046)**	–	**–**	–
Allowance for inventories obsolescence		**1,223**	–	**–**	–
		2,254,324	2,123,327	**7,940**	(27,197)
Changes in working capital:					
Inventories		**131,300**	6,332	**–**	–
Receivables, deposits and prepayments		**(1,435,672)**	(100,111)	**1,926**	1,965
Payables and accrued expenses		**1,007,783**	78,122	**3,439**	43,337
Immediate holding company		**(6,169)**	(356)	**(6,379)**	(69)
Subsidiaries		**–**	–	**(14,891)**	7,777
Related companies		**1,630**	(36,360)	**614**	(165)
Cash generated from operations		**1,953,196**	2,070,954	**(7,351)**	25,648
Interest paid		**(801,029)**	(666,189)	**(147,768)**	(77,988)
Payment to retirement benefits schemes		**(100,879)**	(84,349)	**–**	–
Tax (paid)/refund		**(225,533)**	(268,351)	**970**	–
Net cash flow from/(used in) operating activities		**825,755**	1,052,065	**(154,149)**	(52,340)

The notes set out on pages 77 to 148 form an integral part of these financial statements.

Cash Flow Statements

for the financial year ended 30 June 2009

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Cash flows from investing activities					
Advances to a subsidiary		**–**	–	**(178,350)**	(537,100)
Development expenditure incurred		**(15,797)**	(24,738)	**(15,507)**	(24,738)
Dividends received		**277,206**	117,914	**679,489**	1,365,913
Grants received in respect of infrastructure assets		**31,070**	46,855	**–**	–
Interest received		**199,479**	397,673	**41,710**	61,719
Proceeds from disposal of investments		**5,285**	4,317	**1,315**	581
Proceeds from disposal of property, plant and equipment		**5,749**	3,644	**–**	10
Investment in subsidiary		**–**	–	**(3,626,700)**	–
Purchase of investments		**(60,000)**	(7,289)	**(60,000)**	(5,594)
Purchase of property, plant and equipment		**(1,194,342)**	(1,645,563)	**–**	–
Repayment by subsidiaries		**–**	–	**248,500**	60,880
Acquisition of subsidiaries	16(b)	**(7,469,414)**	–	**–**	–
Net cash flow (used in)/from investing activities		**(8,220,764)**	(1,107,187)	**(2,909,543)**	921,671
Cash flows from financing activities					
Dividends paid		**(650,138)**	(584,033)	**(650,138)**	(584,033)
Finance lease creditors paid		**(27,432)**	(35,555)	**–**	–
Proceeds from borrowings		**9,008,461**	2,320,774	**2,120,000**	1,500,000
Proceeds from issue of bonds		**–**	3,023,096	**–**	2,021,140
Proceeds from issue of shares		**575,691**	64,078	**575,691**	64,078
Proceeds from issue of warrants		**–**	177,637	**–**	177,637
Repayment of bonds		**(1,760,607)**	(125,000)	**–**	–
Repayment of term loan and borrowings		**(2,624,302)**	(850,484)	**(2,100,073)**	(750,079)
Repurchase of own shares		**(71,505)**	(402,833)	**(71,505)**	(402,833)
Net cash flow from/(used in) financing activities		**4,450,168**	3,587,680	**(126,025)**	2,025,910
Net changes in cash and cash equivalents		**(2,944,841)**	3,532,558	**(3,189,717)**	2,895,241
Effects of exchange rate changes		**(524,325)**	(169,865)	**–**	–
Cash and cash equivalents					
– at beginning of the year		**9,375,917**	6,013,224	**3,673,037**	777,796
– at end of the year	27	**5,906,751**	9,375,917	**483,320**	3,673,037

The notes set out on pages 77 to 148 form an integral part of these financial statements.

1. GENERAL INFORMATION

The principal activities of the Company are investment holding and the provision of administrative and technical support services. The principal activities of the subsidiaries are set out in Note 16(a) to the financial statements. During the financial year, the Group acquired PowerSeraya Limited and YTL Communications Sdn Bhd which provide operating energy facilities and undertake oil trading activities and provide wire line and wireless broadband access respectively.

The immediate holding company is YTL Corporation Berhad and the ultimate holding company is Yeoh Tiong Lay & Sons Holdings Sdn Bhd, both of which are incorporated in Malaysia.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is as follows:

11th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur

The address of the principal place of business of the Company is as follows:

7th Floor, Yeoh Tiong Lay Plaza
55, Jalan Bukit Bintang
55100 Kuala Lumpur

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, interest risk, market risk, credit risk, liquidity and cash flow risk. The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders. The Group focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems and adherence to Group financial risk management policies. The Board regularly reviews these risks and approves the treasury, which covers the management of these risks.

(a) Foreign currency exchange risk

The Group's exposure to foreign currency exchange risk as a result of foreign currency transactions is limited because its subsidiaries trade and borrowings which are predominantly in their respective functional currency. Where necessary, the Group enters into forward foreign currency exchange contracts to limit its exposure on foreign currency receivables and payables, and on cash flows generated from anticipated transactions denominated in foreign currencies.

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's borrowings, deposits and short term investment, and is managed through the use of fixed and floating rate debts and derivative financial instruments. Derivative financial instruments are used, where appropriate, to generate the desired interest rate profile.

(c) Market risk

The Group operates substantially under a business regime of contractual sales or price regulation in its business segments of Power Generation and Water and Sewerage. The Group considers its market risk to be minimal as the tariff rates applicable to these business segments are either protected by agreement or set by industry regulators. For key product purchases, the Group establishes floating and fixed priced levels that the Group considers acceptable and enters physical supply or derivative agreements, where necessary to achieve these levels. The Group does not face significant exposure to risk from changes in debt and equity prices.

(d) Credit risk

Credit risk is the potential financial loss resulting from the failure of a counter party to settle their obligations to the Group. Credit risk of the Group arises mainly from trade receivables, fixed deposits, short term investments and interest rate swaps.

The Group seeks to invest cash assets safely and profitably with creditworthy institutions. All derivative financial instruments are executed with creditworthy counter parties with a view to limit the credit risk exposure of the Group.

In the Group's Power Generation business in Malaysia, trade receivables are solely from its off taker, a national electricity utility company and the counter party risk is considered to be minimal. As for the Group's Power Generation business in Singapore, credit reviews are performed on all customers with established credit limits and supported by collateral in the form of guarantees. For the Group's Water and Sewerage business, the credit risk of receivables is mitigated through strict collection procedures. In addition, the Directors are of the view that credit risk arising from the Water and Disposal of Waste Water businesses is limited due to its large customer base.

The Group considers the risk of material loss in the event of non-performance by a financial counter party to be unlikely.

(e) Liquidity and cash flow risk

Prudent liquidity risk management implies maintaining sufficient and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility by keeping committed credit lines available.

3. BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared under the historical cost convention except as disclosed in Note 4 to the financial statements.

The financial statements of the Group and the Company have been prepared in accordance with Financial Reporting Standards ("FRS"), the Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act, 1965. During the year, the Group and the Company had adopted new and revised FRSs which are mandatory for the year beginning on or after 1 July 2008.

The preparation of financial statements in conformity with Financial Reporting Standards, the MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act 1965 requires the use of certain critical accounting estimates and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also required the Directors to exercise their judgements in the process of applying the Company's accounting policies. Although these estimates and judgements are based on Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(a) Standards and interpretations issued but not yet effective

The following new or revised FRSs, amendments to FRS and IC Interpretations ('IC Interpretations') have been issued but are not yet effective and have not been adopted by the Group and the Company.

FRS, Amendments to FRS and Interpretations	Effective for financial periods beginning on or after
• FRS 8 Operating Segments	1 July 2009
• FRS 4 Insurance Contracts	1 January 2010
• FRS 7 Financial Instruments – Disclosures	1 January 2010
• FRS 101 Presentation of Financial Statements (as revised in 2009)	1 January 2010

FRS, Amendments to FRS and Interpretations	Effective for financial periods beginning on or after
• FRS 139 Financial Instruments – Recognition and Measurement	1 January 2010
• Amendment to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated And Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
• Amendment to FRS 2 Share-based Payment – Vesting Conditions and Cancellations	1 January 2010
• Amendment to FRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
• Amendment to FRS 8 Operating Segments	1 January 2010
• Amendment to FRS 107 Cash Flow Statements	1 January 2010
• Amendment to FRS 108 Accounting Policies, Changes in Accounting Estimates And Errors	1 January 2010
• Amendment to FRS 110 Events After the Balance Sheet Date	1 January 2010
• Amendment to FRS 116 Property, Plant and Equipment	1 January 2010
• Amendment to FRS 117 Leases	1 January 2010
• Amendment to FRS 118 Revenue	1 January 2010
• Amendment to FRS 119 Employee Benefits	1 January 2010
• Amendment to FRS 120 Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
• Amendment to FRS 123 Borrowing Costs	1 January 2010
• Amendment to FRS 128 Investments in Associates	1 January 2010
• Amendment to FRS 129 Financial Reporting In Hyperinflationary Economies	1 January 2010
• Amendment to FRS 131 Interests in Joint Ventures	1 January 2010
• Amendment to FRS 132 Financial Instrument: Presentation	1 January 2010
• Amendment to FRS 134 Interim Financial Reporting	1 January 2010
• Amendment to FRS 136 Impairment of Assets	1 January 2010
• Amendment to FRS 138 Intangible Assets	1 January 2010
• Amendment to FRS 139 Financial Instruments: Recognition and Measurement and FRS 7 Financial Instruments: Disclosures	1 January 2010
• Amendment to FRS 140 Investment Property	1 January 2010
• IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
• IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
• IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions	1 January 2010
• IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
• IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

FRS 4 and IC Interpretation 13 are not relevant to the Group's and the Company's operations.

The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon initial application of FRS 7 and FRS 139.

Save for these, the new FRS, Amendments to FRSs and IC Interpretations above are not expected to have significant impact on the financial statements of the Group and of the Company upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

(a) Subsidiaries

Subsidiaries are those corporations, partnerships or other entities in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are consolidated using the purchase method of accounting except for certain business combinations which were accounted for using the merger method as follows:-

- Subsidiaries that were consolidated prior to 1 July 2002 in accordance with Malaysian Accounting Standard 2 "Accounting for Acquisitions and Mergers", the generally accepted accounting principles prevailing at that time

The Group has taken advantage of the exemption provided by FRS 3 to apply this Standard prospectively. Accordingly, business combinations entered prior to the respective effective dates have not been restated to comply with this Standard.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets as of the date of disposal including the cumulative amount of any exchange differences that relate to the subsidiaries in the Consolidated Income Statement.

(i) Purchase method

Under the purchase method of accounting, subsidiaries are fully consolidated from the date of which control is transferred to the Group and are de-consolidated from the date that control ceased. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the subsidiaries' identifiable net assets acquired is reflected as goodwill. Goodwill is retained in the Consolidated Balance Sheet at cost. Where an indication of impairment exists, the carrying amount of the net asset is assessed and written down immediately to its recoverable amount.

The excess of the fair value of the Group's share of the subsidiaries' identifiable net assets over the cost of acquisition at the date of acquisition is recognised directly in the Income Statement.

Minority interest represents that portion of the profit and loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since that date.

(ii) Merger method

Acquisition of a subsidiary, YTL Power Generation Sdn Bhd, is accounted for using merger accounting principles.

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been effected throughout the current and previous years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between the carrying value of the investment in the subsidiary over the nominal value of the shares acquired is taken to merger reserve.

On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any share premium, capital redemption reserve and any other reserves which are attributable to share capital of the merged enterprises, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other capital reserves.

Intragroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(iii) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with equity owners of the Group. For purchases from minority interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is deducted from equity. Gains or losses on disposals to minority interests are also recorded in equity. For disposals to minority interests, differences between any proceeds received and the relevant share of minority interests are also recorded in equity.

(b) Joint ventures

(i) Jointly controlled entities

Jointly controlled entities are corporations, partnerships or other entities over which there is contractually agreed sharing of control by the Group with one or more parties where the strategic financial and operating decisions relating to the entities require unanimous consent of the parties sharing control. The Group's interests in jointly controlled entities are accounted for in the consolidated financial statements by the equity method of accounting.

Equity accounting involves recognising in the Income Statement the Group's share of the results of jointly controlled entities for the financial year. The Group's investments in jointly controlled entities are carried in the Balance Sheet at an amount that reflects its share of the net assets of the jointly controlled entities and includes goodwill on acquisition.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the asset transferred. Where necessary, adjustments have been made to the financial statements of jointly controlled entities to ensure consistency of accounting policies with those of the Group.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the joint venture.

(ii) Jointly controlled operations

When a group company is party to a joint arrangement, that company accounts directly for its part of income and expenditure, assets, liabilities and cash flows. Such arrangements are reported in the consolidated financial statements on the same basis.

(c) Associated companies

Associated companies are companies in which the Group exercises significant influence, but which it does not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the associated companies but not control over those policies.

Investments in associated companies are accounted for in the consolidated financial statements by using the equity method of accounting and are initially recognised at cost. The Group's investment in associated companies includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of post-acquisition profits or losses is recognised in the Income Statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying value of investment. When the Group's share of losses in the associated company equals or exceeds its interest in the associated company, including any other unsecured obligations, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associated company.

The results of associated companies are taken from the most recent financial statements of the associated companies concerned, made up to dates not more than three months prior to the end of the year of the Group.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, in applying the purchase method, adjustments are made to the financial statements of associated companies to ensure consistency of accounting policies with those of the Group.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Cost also includes borrowing costs incurred for assets under construction. The cost of certain property, plant and equipment includes the costs of dismantling, removal and restoration, the obligation which was incurred as a consequence of installing the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Infrastructure assets are amortised in equal instalments over a period of one hundred and ten (110) years. Freehold land is not depreciated as it has an infinite life. All other property, plant and equipment are depreciated on a straight line basis to write off the cost of each asset to its residual value over its estimated years of useful lives, summarised as follows:

	Years
Buildings	10 – 40
Plant and machinery	3 – 25
Mains and lines	20
Office equipment	3 – 10
Computers	3 – 5
Furniture and fittings	3 – 10
Motor vehicles and aircraft	5 – 10
Telecommunication equipment	10

Depreciation on assets under construction commences when the assets are ready for their intended use.

Assets under construction are stated at cost and are not depreciated. Upon completion, assets under construction is transferred to categories of property, plant and equipment depending on nature of assets. Depreciation on property, plant and equipment under construction commences when the property, plant and equipment are ready for their intended used. Depreciation of property, plant and equipment ceases at the earlier of derecognition and classification as held for sale.

At each Balance Sheet date, the Group assesses whether there is any indication of impairment. If such indication exists, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amounts exceed the recoverable amounts. See accounting policy 4(i) on impairment of assets.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each Balance Sheet date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the Income Statements.

(e) Leases

(i) Accounting by lessee

Finance lease

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

The asset is treated as if they had been purchased and the corresponding capital cost is shown as an obligation. Leasing payments are treated as consisting of a capital element and finance costs, the capital element reducing the obligation to the lessor and the finance charge being written off to the Income Statement over the period of the lease in reducing amounts in a constant rate in relation to the outstanding obligations. When assets are leased out under an operating lease, the asset is included in the Balance Sheet based on the nature of the asset. Lease income is recognised over the term of the lease on a straight line basis. The assets are depreciated in accordance with the relevant accounting policy for property, plant and equipment.

Operating lease

Leases of assets were significant portion of the risks and rewards of ownership retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Income Statement on the straight line basis over the lease period.

When an operating lease is terminated before the lease period expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period is which termination takes place.

(ii) Accounting by lessor

Operating lease

Assets leased out under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on the straight line basis over the lease term.

(f) Development expenditure

Development expenditure incurred is capitalised when it meets certain criteria that indicate that it is probable that the costs will give rise to future economic benefits and are amortised over the period of the projects. They are written down to their recoverable amounts when there is insufficient certainty that future economic benefit will flow to the enterprise.

(g) Intangible assets – Goodwill

Goodwill arises on the acquisitions of subsidiaries and it represents the excess of the cost of the acquisition over the Group's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree at the date of acquisition.

Goodwill is measured at cost less any accumulated impairment losses. When the excess is negative (negative goodwill), it is recognised immediately in the Income Statement.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing and is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. See accounting policy Note 4(i) on impairment of assets.

(h) Investments

(i) Investments in subsidiaries, jointly controlled entities and associated companies

Investments in subsidiaries, jointly controlled entities and associated companies are stated at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

(ii) Other Investments

Investments in other non-current investments are shown at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the period in which the decline is identified.

(iii) Short Term Investments

Short term investments are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investment. Cost is derived on the weighted average basis. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the Balance Sheet date. Increases or decreases in the carrying amount of short term investments are credited or charged to the Income Statement.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the Income Statement.

(i) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or as and when events or circumstances occur indicating that impairment may exist. Assets that are subject to amortisation, are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to the Income Statement unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in the Income Statement unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus.

(j) Grants and contributions

Grants and contributions in respect of specific qualifying expenditure on property, plant and equipment are included in non current liability as deferred income. The income is recognised in the Income Statement over the expected useful economic lives of the related assets or otherwise to match them with the related costs which they are intended to compensate, on a systematic basis.

(k) Provisions

The Group recognises provisions when it has a present legal or constructive obligation arising as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. The recording of provisions requires the application of judgments about the ultimate resolution of these obligations. As a result, provisions are reviewed at each Balance Sheet date and adjusted to reflect the Group's current best estimate.

(l) Restructuring provision

Restructuring provision mainly comprises employee termination payments, and is recognised in the year in which the Group becomes legally or constructively committed to the payment. Future operating costs are not provided for. Employee termination benefits are recognised only either after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy and the number of employees affected, or after individual employees have been advised of the specific terms. Costs related to the on-going activities of the Group are not provided in advance. Any property, plant and equipment that are no longer required for their original use are transferred to current assets and carried at the lower of its carrying amount and estimated net realisable value.

(m) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;
- income and expenses for each Income Statement are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the Income Statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after 1 July 2006 are treated as assets and liabilities of the foreign entity and translated at the closing rate. For acquisition of foreign entities completed prior to 1 July 2006, goodwill and fair value adjustments continued to be recorded at the exchange rate at the respective date of acquisitions.

(n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Inventories comprise primarily of items held for operation and maintenance purposes. The cost of work in progress comprises raw materials, direct labour, other direct costs and related overheads. It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

(o) Revenue recognition

(i) Sale of electricity

Revenue from sales of electricity is recognised upon performance of services based on the invoiced value of sales net of discounts allowed and also includes an estimate of the value of services provided between the last meter reading date and the year end.

(ii) Sale of physical fuel oil

Revenue from sale of physical fuel oil is recognised when the risks and rewards of ownership of the oil have been passed to the customers which occurs when the oil has been delivered and the collectability of the related receivable is reasonably assured.

(iii) Supply of clean water and treatment and disposal of waste water

Revenue from supply of clean water and treatment and disposal of waste water represents the amounts (excluding value added tax, where applicable) derived from the provision of goods and services to third party customers. The Group has chosen not to recognise as turnover the bills raised for customers who have a record of two years non payment.

(iv) Other revenues

Other revenues earned by the Group are recognised on the following bases:

Dividend income	–	when the shareholders' right to receive payment is established.
Interest income	–	on an effective yield basis.
Management fees	–	when services are rendered and invoiced, net of service taxes.
Operation and maintenance fees	–	when services are rendered and invoiced.

(p) Income taxes

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits, including withholding taxes payable by a foreign subsidiary, associated company or joint venture on distributions of retained earnings to companies in the Group.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at that time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group's share of income taxes of jointly controlled entities and associated companies are included in the Group's share of results of jointly controlled entities and associated companies.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

(q) Trade and other receivables

Trade and other receivables are carried at original invoiced amounts less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

(r) Employee benefits

(i) Short term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Post-employment benefits

The Group has various post-employment benefit schemes in accordance with local conditions and practices in the countries in which it operates. These benefit plans are either defined contribution or defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

(iii) Defined contribution plan

The Group's contributions to defined contribution plan are charged to the Income Statement in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(iv) Defined benefit plan

The liability in respect of a defined benefit plan is the present value of the defined benefit obligation at the Balance Sheet date minus the fair value of plan assets, together with adjustments for actuarial gains or losses and past service cost. The Group determines the present value of the defined benefit obligation and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the Balance Sheet date.

The defined benefit obligation, calculated using the projected unit credit method, is determined by independent actuaries, considering the estimated future cash outflows using market yields at Balance Sheet date of government securities which have currency and terms to maturity approximating the terms of the related liability.

Plan assets in excess of the defined benefit obligation are subject to the asset limitation specified in FRS 119.

Actuarial gains and losses arise from experience adjustments and changes in actuarial assumptions. The amount of net actuarial gains and losses recognised in the Income Statement is determined by the corridor method in accordance with FRS 119 and is charged or credited to income over the average remaining service lives of the related employees participating in the defined benefit plan.

(v) Share-based compensation

The Group operates an equity-settled, share-based compensation plan for the employees of the Group. The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense in the Income Statement over the vesting periods of the grant with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted and the number of share options to be vested by vesting date. At each Balance Sheet date, the Group revises its estimates of the number of share options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the Income Statement, with a corresponding adjustment to equity. For options granted to subsidiaries, the expense will be recognised in the subsidiaries' financial statements over the vesting periods of the grant.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(s) Bonds and borrowings

Bonds and borrowings are initially recognised based on the proceeds received, net of transaction costs incurred. Subsequently, bonds and borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the bonds and borrowings.

Interest relating to a financial instrument classified as a liability is reported within finance cost in the income statement.

Bonds and borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the Balance Sheet date.

Borrowing cost incurred to finance the construction of property, plant and equipment are capitalised as part of the cost of the assets during the period of time that is required to complete and prepare the asset for its intended use.

(t) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

(i) Financial instruments recognised on the balance sheet

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual accounting policy statements associated with each item.

(ii) Financial instruments not recognised on the balance sheet

The Group is a party to financial instruments that comprise interest rate swap agreements. These instruments are not recognised in the financial statements on inception except that amounts paid on inception are recognised as prepaid interest and amortised as a component of interest expense over the period of the contract.

(a) Interest rate swap contracts

Any differential to be paid or received on an interest rate swap contract is recognised as a component of interest income or expense over the period of the contract. Gains and losses on early termination of interest rate swaps or on repayment of the borrowings are taken to the Income Statement.

(b) Foreign currency forward contracts

The group entered into foreign currency forward contracts to protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled.

Exchange gains and losses on contracts are recognised when settled at which time they are included in the measurement of the transaction hedged.

(c) Fuel oil swaps

The group entered into fuel oil swaps that used to hedge forecast physical fuel oil and natural gas purchases. Gains and losses arising from fuel oil swaps are transferred to the cost of inventory of fuels upon acquisition are subsequently transferred to the income statement in the periods when the underlying fuels are consumed for the production of electricity.

(iii) Fair value estimation for disclosure purposes

The fair value of publicly traded derivatives and securities is based on quoted market prices at the Balance Sheet date.

The fair value of interest rate swaps is calculated at the present value of the estimated future cash flows. The fair value of forward foreign currency contracts is determined using forward exchange market rates at the balance sheet date.

In assessing the fair value of non-traded derivatives and financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each Balance Sheet date. Quoted market prices or dealer quotes for the specific or similar instruments are used for long term debt. Other techniques, such as estimated discounted value of future cash flows, are used to determine fair value for the remaining financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar instruments.

The face values of financial assets (less any estimated credit adjustments) and financial liabilities with a maturity period of less than one year are assumed to approximate their fair values.

(u) Segment reporting

Segment reporting is presented for enhanced assessment of the Group's risks and returns. Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those components operating in other economic environments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expense, assets and segment liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment.

(v) Cash and cash equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents comprise cash in hand, bank overdrafts and deposits held at call with financial institutions with original maturities of three months or less and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the Balance Sheet. For the purpose of the Cash Flow Statement, cash and cash equivalents are presented net of bank overdrafts.

(w) Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

The portion of a convertible bond representing the value of the conversion option at the time of issue is included in equity. The value of the conversion option is not changed in subsequent periods. Upon conversion of the bond to equity shares, the amount credited to share capital and share premium is the aggregate of the amounts classified within liability and equity at the time of conversion. No gain or loss is recognised. If the bond is redeemed, the conversion option is transferred to retained earnings.

Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

Dividends to shareholders are recognised in equity in the period in which they are declared.

Purchase of own shares

Shares repurchased by the Company are held as treasury shares and are accounted for on the cost method. The amount of the consideration paid, including directly attributable costs, is recognised as cost and set off against equity. Should such shares be cancelled, reissued or disposed of, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves, as appropriate. Where the treasury shares are subsequently distributed as dividends to shareholders, the cost of the treasury shares is applied as a reduction of the share premium account or the distributable retained profits or both.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Estimated impairment of goodwill

The Group tests goodwill for impairment annually, in accordance with its accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates as set out in Note 15 to the financial statements.

(b) Estimated useful lives of property, plant and equipment

The residual value and the useful life of the assets are reviewed at each financial year end. The review is based on factors such as business plans and strategies, expected level of usage and future regulatory changes.

(c) Allowance for doubtful debts

The Group assesses at each Balance Sheet date whether there is objective evidence that trade receivables have been impaired. Impairment loss is calculated based on a review of the current status of existing receivables and historical collections experience. Such provisions are adjusted periodically to reflect the actual and anticipated impairment.

(d) Taxation

(i) Income taxes

The Group is subject to income tax in several jurisdictions. Judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax matters based on estimates of whether additional taxes will be due. If the final outcome of these tax matters result in a difference in the amounts initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made.

(ii) *Deferred tax assets*

Deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised. This involves judgement regarding future financial performance of a particular entity in which the deferred tax asset has been recognised.

(e) Share based payments

Equity-settled share based payments are measured at fair value at the grant date. The Group revises the estimated number of performance shares that participants are expected to receive based on non-market vesting conditions at each Balance Sheet date. The assumption of the valuation model used to determine fair value is set out in Note 28(c).

(f) Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts internal and external to the Group for matters in the ordinary course of business. Please refer to Note 40 to the financial statements for details.

(g) Estimated lower of cost and net realisable value for fuel oil inventory

The Group's management is of the view that the reasonable net realisable value benchmark for the fuel oil inventory should be determined against the electricity prices derived from the generation of electricity by the fuel oil inventory. As at the balance sheet date, the net realisable value test has in part been determined based on the estimated price of generated electricity that will be achieved over the period in which the inventory will be utilised. The price that will eventually be achieved will be subject to market conditions subsequent to the balance sheet date. If estimated price increased/decreased by 5%, the provision for lower of cost and net realisable value would be lower/higher by RM853,288.

(h) Estimated pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximately the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 33 to the financial statements.

(i) Estimate impairment of property, plant and equipment

The Group management follows its accounting policy set out in Note 4(i) in determining when property, plant and equipment are considered impaired. Impairment is recognised when events and circumstances indicate that these assets may be impaired and the carrying amount of these assets exceeds the recoverable amounts. In determining the recoverable amount of these assets, certain estimates regarding the cash flows of these assets are made.

6. REVENUE

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Sale of electricity	**3,238,927**	1,125,897	**–**	–
Sale of fuel oil	**137,045**	–	**–**	–
Sale of water, treatment and disposal of waste water	**2,510,687**	2,785,882	**–**	–
Interest income	**133,774**	261,564	**73,271**	72,724
Dividends:				
– unquoted investment in subsidiary company	**–**	–	**683,015**	1,410,765
– unquoted investment outside Malaysia	**35,844**	32,420	**–**	–
– quoted investments in Malaysia	**5,781**	6,397	**5,781**	6,397
Management fees	**4,249**	4,994	**25,000**	25,000
Royalty income	**–**	–	**2,407**	2,254
Operation and maintenance fees	**27,087**	25,364	**–**	–
	6,093,394	4,242,518	**789,474**	1,517,140

7. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Key management personnel are the persons who have authority and responsibility for planning, directing and controlling the activities of the Company or the Group. The key management compensation is disclosed below:

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Key management compensation				
– Wages, salaries and bonus	**8,280**	10,580	**4,250**	5,250
– Defined contribution plan	**994**	1,270	**510**	630
– Fees	**162**	165	**162**	165
– Share options expenses	**1,196**	804	**492**	331
Included in key management compensation is the Directors' remuneration (whether executive or otherwise) as disclosed in Note 9 to the financial statements				

Whenever exist, related party transactions also include transaction with entities that are controlled, jointly controlled or significantly influenced directly or indirectly by any key management personnel or their close family members.

In addition to related party transactions and balances mentioned elsewhere in the financial statements, set out below are significant related party transactions and balances which were carried out as terms and conditions negotiated amongst the related parties.

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Sale of goods and services				
– Subsidiaries	–	–	**27,407**	27,254
Dividend income				
– Subsidiaries	–	–	**683,015**	1,410,765
– Related companies	**4,120**	4,897	**4,120**	4,897
Interest income				
– Subsidiaries	–	–	**38,521**	4,625
– Related companies	**1,165**	1,082	**1,165**	1,082
Purchases of goods and services				
– Hotel and accommodation	**4,895**	2,957	**1,485**	–
– Operating and maintenance agreement	**135,991**	131,967	–	–
– Travelling fares and motor vehicle maintenance	**7,632**	6,000	**6,936**	2,974
– Rental of land and building	**1,272**	–	–	–
Expenses paid on behalf of				
– Subsidiaries	–	–	**6,534**	31,430
Expenses paid on behalf by				
– Subsidiaries	–	–	–	2,275
– Immediate holding company	**3,057**	3,610	–	–
– Related companies	**14,805**	6,109	**3,790**	5,764
Year-end balances arising from:				
– Purchases of goods/services	**79,495**	57,219	–	124
– Redemption of bonds on behalf	–	–	–	222,273
– Payment made on behalf	–	–	–	10,906

The payables to related parties arise mainly from purchase transactions and are due 30 to 90 days after the date of purchase. The payables bear no interest.

	Company	
	2009 RM'000	2008 RM'000
Loans and advances to subsidiaries		
At 1 July	**526,391**	47,022
Advances during the year	**178,350**	537,100
Repayments during the year	**(248,500)**	(60,880)
Interest charged	**37,250**	3,712
Payment of interest	–	(563)
At 30 June	**493,491**	526,391

8. FINANCE COSTS

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Interest on borrowings	**877,459**	795,825	**181,998**	97,187

9. PROFIT BEFORE TAXATION

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Profit before taxation is stated after charging/(crediting):				
Allowance for inventories obsolescence	**1,223**	–	**–**	–
Amortisation of grant	**(5,376)**	(5,997)	**–**	–
Amortisation of prepaid lease payment	**1,668**	302	**–**	–
Auditors' remuneration				
– statutory audit fees paid to PricewaterhouseCoopers	**465**	218	**292**	139
– statutory audit fees paid to other audit firms	**1,447**	1,509	**–**	–
Depreciation of property, plant and equipment	**606,969**	599,335	**87**	87
Development expenditure	**15,797**	24,738	**15,507**	24,738
Directors' remuneration	**11,778**	13,974	**6,561**	7,532
Dividends from quoted investments in Malaysia	**(415)**	(292)	**–**	–
Gain on disposal of investments	**(30)**	(468)	**(13)**	(461)
Gain on disposal of property, plant and equipment	**(3,972)**	(2,188)	**–**	(10)
Interest income	**(51,819)**	(136,273)	**–**	–
Realised (gain)/loss on foreign exchange	**(25,275)**	62	**(25,217)**	–
Rental of land and building	**2,158**	1,945	**–**	–
Rental of plant and machinery	**4,617**	10,656	**–**	–
Staff costs				
– wages, salaries and bonus	**269,193**	298,158	**5,464**	5,669
– defined contribution plan	**3,914**	1,435	**612**	620
– defined benefit plan	**39,708**	41,584	**–**	–
– share options expenses	**930**	321	**162**	157
Unrealised gain on foreign exchange	**(11,469)**	(34,993)	**(10,107)**	(33,756)
Property, plant and equipment written off	**20,348**	14,343	**–**	–
Write back of allowance for doubtful debts	**(4,179)**	(24,478)	**–**	–
Write back of provision of fuel cost	**(207,046)**	–	**–**	–

The aggregate remuneration of Directors categorised into appropriate components are as follows:

Year ended 30 June 2009

	Salaries RM'000	Fees RM'000	Bonus RM'000	Others* RM'000	Total RM'000
Group					
Executive Directors	6,565	182	2,400	2,398	11,545
Non-Executive Directors	–	190	–	43	233
Company					
Executive Directors	3,835	182	1,100	1,211	6,328
Non-Executive Directors	–	190	–	43	233

Year ended 30 June 2008

	Salaries RM'000	Fees RM'000	Bonus RM'000	Others* RM'000	Total RM'000
Group					
Executive Directors	6,565	185	4,700	2,292	13,742
Non-Executive Directors	–	190	–	42	232
Company					
Executive Directors	3,835	185	2,100	1,180	7,300
Non-Executive Directors	–	190	–	42	232

The number of Directors of the Group and of the Company whose total remuneration fall within the following bands for the year ended 30 June 2009 are as follows:

	Group No. of Directors		Company No. of Directors	
Range of remuneration	**Executive**	**Non-Executive**	**Executive**	**Non-Executive**
Below RM50,000	–	3	3	3
RM100,001 – RM150,000	1	1	2	1
RM250,001 – RM300,000	1	–	–	–
RM900,001 – RM950,000	2	–	1	–
RM1,200,001 – RM1,250,000	–	–	1	–
RM1,250,001 – RM1,300,000	1	–	–	–
RM1,650,001 – RM1,700,000	1	–	–	–
RM1,800,001 – RM1,850,000	–	–	1	–
RM1,900,001 – RM1,950,000	1	–	–	–
RM2,000,001 – RM2,050,000	–	–	1	–
RM2,150,001 – RM2,200,000	1	–	–	–
RM2,250,001 – RM2,300,000	1	–	–	–

**Included in the remuneration of Directors of the Group and Company are contributions to a defined contribution plan and share options expenses charged to the Consolidated Income Statement amounting to RM1,096,350 and RM1,301,501 (2008: RM1,372,350 and RM732,750) and RM612,750 and RM597,987 (2008: RM874,940 and RM402,000) respectively.

10. TAXATION

Taxation charge for the year:

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Current tax				
– Malaysian income tax	**63,586**	126,536	**3,726**	49,645
– Foreign income tax	**129,375**	218,331	**–**	–
Deferred tax	**104,850**	1,988	**(7)**	10
Deferred tax arising from change in legislation*	**442,468**	–	**–**	–
Total deferred tax (Note 30)	**547,318**	1,988	**(7)**	10
	740,279	346,855	**3,719**	49,655
Current tax				
Current year	**251,377**	346,530	**3,440**	49,420
(Over)/Under provision in prior years	**(58,416)**	(1,663)	**286**	225
Deferred tax				
Originating and reversal of temporary differences	**86,132**	14,798	**(7)**	10
Under provision in prior years	**18,718**	2,817	**–**	–
Change in tax rates	**–**	(15,627)	**–**	–
Deferred tax arising from change in legislation*	**442,468**	–	**–**	–
	740,279	346,855	**3,719**	49,655

* The UK Finance Act 2008 includes provisions which abolish industrial building allowances with effect from 1 April 2011. This means that Wessex Water, a UK subsidiary of the Group, will not be able to claim industrial building allowances on affected assets after 2011. This change was introduced by reducing the rate of allowance that may be claimed from 1 April 2008 to 31 March 2011 at which point the allowances will be removed. Applying Accounting Standard FRS 112 Income Taxes, the removal of these allowances has resulted in an exceptional deferred tax charge of RM442.5 million.

The explanation of the relationship between tax expense and profit from ordinary activities before tax is as follows:

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Numerical reconciliation between tax expense and the product of accounting profit multiplied by the Malaysian tax rate				
Profit before tax	**1,386,872**	1,385,701	**597,282**	1,399,083
Tax calculated at the Malaysian tax rate 25% (2008: 26%)	**346,718**	360,282	**149,321**	363,761
Share of results of associated companies	**(56,371)**	(56,351)	**–**	–
Different tax rates in other countries	**10,819**	37,444	**–**	–
Non-deductible expenses	**63,909**	31,065	**17,405**	3,635
Income not subject to tax	**(27,566)**	(11,112)	**(163,293)**	(317,966)
(Over)/Under provision in prior years in relation to current and deferred tax	**(39,698)**	1,154	**286**	225
Change in tax rates	**–**	(15,627)	**–**	–
Deferred tax arising from change in legislation	**442,468**	–	**–**	–
Tax expenses	**740,279**	346,855	**3,719**	49,655

11. EARNINGS PER SHARE ('EPS')

(a) Basic EPS

	Group	
	2009	2008
Profit attributable to ordinary equity holders of the Company (RM'000)	**646,605**	1,038,846
Weighted average number of ordinary shares in issue ('000)	**5,695,830**	5,194,159
Basic EPS (sen)	**11.35**	20.00

Basic EPS of the Group is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary share in issue during the year, excluding the number of ordinary shares bought back during the year.

(b) Diluted EPS

	Group	
	2009 RM'000	2008 RM'000
Profit attributable to equity holders of the Company	**646,605**	1,038,846
Profit used to determine diluted EPS	**646,605**	1,062,506
Weighted average number of ordinary shares in issue ('000)	**5,695,830**	5,194,159
Adjustments for:		
– conversion of Warrants	**798,736**	1,217,384
– ESOS	**12,036**	22,299
– Bonds	**–**	348,617
Weighted average number of ordinary shares for diluted earnings per share ('000)	**6,506,602**	6,782,459
Diluted EPS (sen)	**9.94**	15.67

As at 30 June 2009, the Company had 2,155,326,715 (2008: 2,622,358,349) Warrants, whose terms of conversion are set out in Note 28, still unexercised. FRS 133 'Earnings per share' prescribes that Warrants are dilutive when they are issued for no consideration or when they would result in the issue of ordinary shares for less than its fair value.

For the diluted EPS calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

12. DIVIDENDS

Group and Company

	2009		2008	
	Gross dividend per share Sen	Amount of dividend RM'000	Gross dividend per share Sen	Amount of dividend RM'000
Dividends paid in respect of the year ended 30 June 2007:				
– Final dividend, less 27% tax	–	–	5.00	186,895
Dividends paid in respect of the year ended 30 June 2008:				
– First interim tax exempt dividend paid on 24 March 2008	–	–	3.75	198,278
– Second interim tax exempt dividend paid on 24 June 2008	–	–	3.75	198,860
Dividends paid in respect of the year ended 30 June 2008:				
– Final tax exempt dividend of 7.5%, paid on 26 December 2008	**3.75**	**214,830**	–	–
Dividends paid in respect of the year ended 30 June 2009:				
– First interim dividend 6% less 25% tax and 3% single tier dividend paid on 20 January 2009	**4.50**	**217,074**	–	–
– Second interim dividend of 7.5% tax exempt paid on 26 March 2009	**3.75**	**218,234**	–	–
– Third interim dividend of 7.5% tax exempt declared on 21 May 2009 and paid on 16 July 2009	**3.75**	**219,503**	–	–
	15.75	**869,641**	12.50	584,033

The Board of Directors has recommended a final 3.75% single tier dividend per RM0.50 ordinary share for the financial year ended 30 June 2009 subject to the approval by the shareholders at the forthcoming Annual General Meeting. These financial statements do not reflect this final dividend which will be accrued as a liability in the year ending 30 June 2010 when approved by shareholders.

13. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

Group	Land and buildings RM'000	Infrastructure assets RM'000	Plant and machinery RM'000	Mains and lines RM'000	Office equipment RM'000	Computers RM'000	Furniture and fittings RM'000	Motor vehicles and aircraft RM'000	Telecommunication equipment RM'000	Assets under construction RM'000	Total RM'000
2009											
Cost											
At 1 July 2008	4,469,446	5,403,950	7,161,014	22,699	450,529	10,765	1,108	63,052	–	1,273,029	18,855,592
Exchange differences	(353,139)	(528,780)	(397,660)	–	(40,687)	164	15	(1,962)	–	(124,275)	(1,446,324)
Acquisition of subsidiaries (Note 16(b))	58,546	–	1,465,551	–	205	11,220	1,463	604	57	1,362,594	2,900,240
Additions	49,809	223,623	291,221	–	38,645	374	345	9,754	–	644,581	1,258,352
Disposals	(300)	–	(7,622)	–	–	(3)	–	(6,534)	–	–	(14,459)
Written off	(10,674)	–	(28,464)	–	(10,747)	–	–	–	–	–	(49,885)
Transfer on commissioning	85,969	170,409	542,366	–	67,279	503	22	–	–	(866,548)	–
Transfer to prepaid lease (Note 14)	–	–	–	–	–	–	–	–	–	(11)	(11)
Grants and contribution	–	(28,777)	–	–	–	–	–	–	–	–	(28,777)
At 30 June 2009	4,299,657	5,240,425	9,026,406	22,699	505,224	23,023	2,953	64,914	57	2,289,370	21,474,728
Accumulated depreciation											
At 1 July 2008	876,365	92,773	2,551,398	15,322	193,333	10,052	752	25,804	–	–	3,765,799
Charge for the year	98,494	44,088	432,719	1,135	21,331	1,649	237	7,315	1	–	606,969
Exchange differences	(43,802)	(7,784)	(123,089)	–	(17,855)	29	2	(626)	–	–	(193,125)
Disposals	(59)	–	(7,363)	–	–	(3)	–	(5,257)	–	–	(12,682)
Written off	(1,145)	–	(17,645)	–	(10,747)	–	–	–	–	–	(29,537)
At 30 June 2009	929,853	129,077	2,836,020	16,457	186,062	11,727	991	27,236	1	–	4,137,424
Net book value											
At 30 June 2009	3,369,804	5,111,348	6,190,386	6,242	319,162	11,296	1,962	37,678	56	2,289,370	17,337,304

Borrowing costs of RM6,408,644, arising on financing specifically entered into for the construction of property, plant and equipment, were capitalised during the financial year and included in additions of the Group during the financial year.

Group	Land and buildings RM'000	Infrastructure assets RM'000	Plant and machinery RM'000	Mains and lines RM'000	Office equipment RM'000	Computers RM'000	Furniture and fittings RM'000	Motor vehicles and aircraft RM'000	Assets under construction RM'000	Total RM'000
2008										
Cost										
At 1 July 2007	4,596,222	5,489,405	7,013,045	22,699	390,054	10,527	794	61,613	666,789	18,251,148
Exchange differences	(219,552)	(327,317)	(264,770)	–	(24,057)	(11)	–	(1,333)	(53,718)	(890,758)
Additions	52,503	250,818	379,339	–	37,943	254	314	7,648	916,744	1,645,563
Disposals	–	–	(6,895)	–	–	(5)	–	(4,648)	–	(11,548)
Written off	(4,621)	–	(87,104)	–	(5)	–	–	(228)	–	(91,958)
Transfer on commissioning	44,894	37,899	127,399	–	46,594	–	–	–	(256,786)	–
Grants and contribution	–	(46,855)	–	–	–	–	–	–	–	(46,855)
At 30 June 2008	4,469,446	5,403,950	7,161,014	22,699	450,529	10,765	1,108	63,052	1,273,029	18,855,592
Accumulated depreciation										
At 1 July 2007	786,979	47,865	2,305,556	14,187	181,432	9,802	713	22,336	–	3,368,870
Charge for the year	116,413	48,796	402,647	1,135	22,378	261	39	7,666	–	599,335
Exchange differences	(25,275)	(3,888)	(74,696)	–	(10,472)	(9)	–	(359)	–	(114,699)
Disposals	–	–	(6,304)	–	–	(2)	–	(3,786)	–	(10,092)
Written off	(1,752)	–	(75,805)	–	(5)	–	–	(53)	–	(77,615)
At 30 June 2008	876,365	92,773	2,551,398	15,322	193,333	10,052	752	25,804	–	3,765,799
Net book value										
At 30 June 2008	3,593,081	5,311,177	4,609,616	7,377	257,196	713	356	37,248	1,273,029	15,089,793

Land and buildings of the Group are as follows:

Group	Freehold Land RM'000	Buildings RM'000	Total RM'000
Cost			
At 1 July 2008	67,891	4,401,555	4,469,446
Acquisition of subsidiaries	–	58,546	58,546
Exchange differences	(6,724)	(346,415)	(353,139)
Additions	2,218	47,591	49,809
Disposals	–	(300)	(300)
Written off	–	(10,674)	(10,674)
Transfer on commissioning	–	85,969	85,969
At 30 June 2009	63,385	4,236,272	4,299,657
Accumulated depreciation			
At 1 July 2008	–	876,365	876,365
Charge for the year	–	98,494	98,494
Exchange differences	–	(43,802)	(43,802)
Disposals	–	(59)	(59)
Written off	–	(1,145)	(1,145)
At 30 June 2009	–	929,853	929,853
Net book value			
At 30 June 2009	63,385	3,306,419	3,369,804
Cost			
At 1 July 2007	70,408	4,525,814	4,596,222
Exchange differences	(4,166)	(215,386)	(219,552)
Additions	1,649	50,854	52,503
Written off	–	(4,621)	(4,621)
Transfer on commissioning	–	44,894	44,894
At 30 June 2008	67,891	4,401,555	4,469,446
Accumulated depreciation			
At 1 July 2007	–	786,979	786,979
Charge for the year	–	116,413	116,413
Exchange differences	–	(25,275)	(25,275)
Written off	–	(1,752)	(1,752)
At 30 June 2008	–	876,365	876,365
Net book value			
At 30 June 2008	67,891	3,525,190	3,593,081

Notes to the Financial Statements
for the financial year ended 30 June 2009

Company	Office equipment RM'000	Computers RM'000	Furniture and fittings RM'000	Motor Vehicles RM'000	Total RM'000
2009					
Cost					
At 1 July 2008	**35**	**216**	**20**	**917**	**1,188**
Additions	–	–	–	–	–
Disposals	–	–	–	–	–
At 30 June 2009	**35**	**216**	**20**	**917**	**1,188**
Accumulated depreciation					
At 1 July 2008	**35**	**101**	**20**	**779**	**935**
Charge for the year	–	–	–	–	–
Disposals	–	**39**	–	**48**	**87**
At 30 June 2009	**35**	**140**	**20**	**827**	**1,022**
Net book value					
At 30 June 2009	–	**76**	–	**90**	**166**
2008					
Cost					
At 1 July 2007	35	216	20	1,208	1,479
Additions	–	–	–	–	–
Disposals	–	–	–	(291)	(291)
At 30 June 2008	35	216	20	917	1,188
Accumulated depreciation					
At 1 July 2007	35	63	20	1,021	1,139
Charge for the year	–	38	–	49	87
Disposals	–	–	–	(291)	(291)
At 30 June 2008	35	101	20	779	935
Net book value					
At 30 June 2008	–	115	–	138	253

The net book value of assets of the Group held under finance leases amounted to RM377,332,480 (2008: RM461,007,120).

14. PREPAID LEASE PAYMENT

	Group	
	2009 RM'000	2008 RM'000
Cost		
At 1 July	**7,549**	7,549
Exchange differences	**629**	–
Acquisition of subsidiary (Note 16(b))	**69,054**	–
Transfer from property, plant and equipment (Note 13)	**11**	–
At 30 June	**77,243**	7,549
Accumulated amortisation		
At 1 July	**4,378**	4,076
Exchange differences	**15**	–
Amortisation	**1,668**	302
At 30 June	**6,061**	4,378
Carrying amount	**71,182**	3,171

The prepaid lease payments comprise upfront payments for short term leasehold land.

15 INTANGIBLE ASSETS

	Group	
	2009 RM'000	2008 RM'000
Goodwill on consolidation:		
At 1 July	**441,333**	441,333
Acquisition of subsidiaries (Note 16(b))	**5,892,707**	–
Exchange differences	**74,896**	–
At 30 June	**6,408,936**	441,333

Impairment test for goodwill

The Group undertakes an annual test for impairment of its cash-generating units (CGUs).

Goodwill is allocated for impairment test to the individual entity which is also the CGUs identified according to the respective companies.

The following CGUs, being the lowest level of asset for which there are separately identifiable cash flows, have carrying amounts of goodwill that are considered significant in comparison with the Group's total goodwill:-

	Group	
	2009 RM'000	2008 RM'000
PowerSeraya Limited (Singapore)	**5,967,511**	–
Wessex Water Limited (United Kingdom ('UK'))	**440,700**	440,700
Others	**725**	633
Total goodwill	**6,408,936**	441,333

The amount of goodwill initially recognised is dependent on the allocation of the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based, to a considerable extent, on management judgement.

(a) Key assumption used in the value-in-use calculation

The following assumption has been applied in the value-in-use calculation.

	2009		2008	
	Singapore %	**UK %**	Singapore %	UK %
Pre-tax discount	6.0	5.9	NA	5.4
Terminal growth rate	(3.2)	2.8	NA	3.7
Revenue growth	6.5	2.8	NA	3.2

The recoverable amounts of the CGUs are determined based on value-in-use calculations. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management.

The discount rates used are pre-tax and reflect specific risks relating to the CGU. The discount rates applied to the cash flow projections are derived from the cost of capital plus a reasonable risk premium at the date of the assessment of the respective CGU.

(b) Impact of possible change in key assumption

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Group's result. The Group's review includes the key assumptions related to sensitivity in the cash flow projections.

The circumstances where a reasonable possible change in key assumptions will result in the recoverable amounts of goodwill on the CGUs to equal the corresponding carrying values, having incorporated the consequential effects on other variables, are as follows:

	2009		2008	
	Singapore %	**UK %**	Singapore %	UK %
Pre-tax discount	**6.9**	**7.4**	NA	7.3
Terminal growth rate	**(4.0)**	**1.6**	NA	3.1
Revenue growth	**6.2**	**(2.4)**	NA	(1.4)

No impairment loss was recognised for the year ended 30 June 2009 for the goodwill assessed as their recoverable values were in excess of their carrying values.

16. SUBSIDIARIES

(a) Investment in subsidiaries

	Company 2009 RM'000	Company 2008 RM'000
Unquoted shares, at cost:		
Ordinary shares	**9,654,894**	5,774,860
Preference shares	**477,463**	477,463
	10,132,357	6,252,323

The subsidiaries are as follows:

Name of company	Country of incorporation	Group's effective interest 2009 %	Group's effective interest 2008 %	Principal activities
YTL Communications Sdn Bhd (formerly known as Y-Max Infra Sdn Bhd) *	Malaysia	**60**	–	Provision of wire line and wireless broadband access and other related services
YTL Power Generation Sdn Bhd	Malaysia	**100**	100	Developing, constructing, completing, maintaining and operating power plants
YTL Power International Holdings Limited *	Cayman Islands	**100**	100	Investment holding
YTL Power Australia Limited *	Cayman Islands	**100**	100	Investment holding
YTL Power Finance (Cayman) Limited*	Cayman Islands	**100**	100	Investment holding
YTL-CPI Power Limited *	Hong Kong	**51**	51	Dormant
YTL Seraya Limited *	Cayman Islands	**100**	–	Investment holding
YTL Utilities Holdings (S) Pte Limited *	Singapore	**100**	–	Investment holding
YTL Utilities (S) Pte Limited *	Singapore	**100**	–	Investment holding
YTL PowerSeraya Pte Limited *	Singapore	**100**	–	Investment holding
PowerSeraya Limited **~	Singapore	**100**	–	Own and operate energy facilities and services (full value chain of electricity generation including trading of physical fuels and fuel related derivative instruments, tank leasing activities and sale of by-products from the electricity generation process)

Name of company	Country of incorporation	Group's effective interest 2009 %	Group's effective interest 2008 %	Principal activities
Seraya Energy Pte Limited **~	Singapore	100	–	Sale of electricity
Seraya Energy and Investment Pte Limited **~	Singapore	100	–	Investment holding
PetroSeraya Pte Limited **~	Singapore	100	–	Oil trading and oil tank leasing
YTL Utilities Limited *	Cayman Islands	100	100	Investment holding
YTL Utilities Finance Limited *	Cayman Islands	100	100	Investment holding
YTL Utilities Finance 2 Limited *	Cayman Islands	100	100	Investment holding
YTL Utilities Finance 3 Limited *	Cayman Islands	100	100	Investment holding
YTL Utilities Finance 4 Limited	Cayman Islands	100	–	Financial services
YTL Utilities Holdings Limited *	Cayman Islands	100	100	Investment holding
Wessex Water International Limited *	Cayman Islands	100	100	Investment holding
YTL Utilities (UK) Limited *	England and Wales	100	100	Investment holding
YTL Events Limited *	England and Wales	100	100	Providing public entertainment, events and public relations services
Wessex Water Limited *	England and Wales	100	100	Investment holding
Wessex Water Services Limited *#	England and Wales	100	100	Water supply and waste water services
SC Technology GmbH *#	Switzerland	100	100	Waste treatment processes
SC Technology Nederland B.V. #	Netherlands	100	100	Waste treatment processes
SC Technology Deutschland GmbH *#	Germany	100	100	Waste treatment processes
S.A. SC Technology France *#	France	–	100	Waste treatment processes
SC Technology Denmark ApS *#	Denmark	–	100	Waste treatment processes
Geneco Limited *#	England and Wales	100	–	Business of converting waste to energy and producing renewable energy

Name of company	Country of incorporation	Group's effective interest 2009 %	Group's effective interest 2008 %	Principal activities
Wessex Electricity Utilities Limited *#	England and Wales	**100**	–	Ownership and operation of electricity infrastructure
Wessex Gas Utilities Limited *#	England and Wales	**100**	–	Ownership and operation of gas infrastructure
Wessex Water Services Finance Plc *#	England and Wales	**100**	100	Issue of bonds
Wessex Water Enterprises Limited *#	England and Wales	**100**	100	Water supply and waste water services
Wessex Engineering & Construction Services Limited *#	England and Wales	**100**	100	Engineering and construction services
Wessex Promotions Limited *#	England and Wales	**100**	100	Entertainment promotion
Wessex Water Pension Scheme Trustee Limited *#	England and Wales	**100**	100	Management of Wessex Water Pension Scheme
Wessex Water Commercial Limited *#	England and Wales	**100**	100	Dormant
Wessex Property Services Limited *#	England and Wales	**100**	100	Dormant
Wessex Water Trustee Company Limited *#	England and Wales	**100**	100	Dormant
Wessex Water Engineering Services Limited *#	England and Wales	**100**	100	Dormant
Wessex Spring Water Limited *#	England and Wales	**100**	100	Dormant
Wessex Logistics Limited *#	England and Wales	**100**	100	Dormant
YTL Engineering Limited *#	England and Wales	**100**	100	Dormant
YTL Services Limited *#	England and Wales	**100**	100	Dormant

Name of company	Country of incorporation	Group's effective interest 2009 %	Group's effective interest 2008 %	Principal activities
YTL Jawa Power Holdings Limited*	Cyprus	**100**	100	Investment holding
YTL Jawa Power Finance Limited* ^	Cayman Island	**100**	100	Investment holding
YTL Jawa Power Holdings B.V.* ^	Netherlands	**100**	100	Investment holding
YTL Jawa Power B.V.* ^	Netherlands	**100**	100	Investment holding
YTL Jawa O & M Holdings Limited*	Cyprus	**100**	100	Investment holding
YTL Jawa O & M Holdings B.V.*°	Netherlands	**100**	100	Investment holding
YTL Jawa Power Services B.V. *°	Netherlands	**100**	100	Investment holding
P.T. YTL Jawa Timur *°	Indonesia	**100**	100	Construction management, consultancy services and power station operation services

* Audited by a firm other than member firm of PricewaterhouseCoopers International Limited
** Audited by a member firm of PricewaterhouseCoopers International Limited which is a separate and independent legal entity from PricewaterhouseCoopers, Malaysia
# Subsidiaries of Wessex Water Limited
° Subsidiaries of YTL Jawa O & M Holdings Limited
^ Subsidiaries of YTL Jawa Power Holdings Limited
~ The financial year end of PowerSeraya Limited and its subsidiaries will be changed to 30 June 2010 from the last audited accounts of 31 March 2009

(b) Significant subsidiaries acquired

(i) PowerSeraya Limited

On 2 December 2008, YTL PowerSeraya Pte Limited, an indirect wholly-owned subsidiary of YTL Power International Bhd, entered into the Share Purchase Agreement with Temasek Holdings (Private) Limited for the acquisition of 884,971,148 ordinary shares of SGD1.00 each representing 100% of the issued and paid-up share capital of PowerSeraya Limited for total purchase consideration of approximate RM8,568,215,239 (SGD3,570,536,000 based on exchange rate of SGD1.00: RM2.3997). The acquisition was completed on 6 March 2009.

The effect of the newly acquired subsidiary on the financial results of the financial year is as follows:

	2009 RM'000
Revenue	**2,262,616**
Profit for the financial year	**164,900**

If the acquisition had occurred on 1 July 2008 (taking into consideration the acquisition of YTL Communications Sdn Bhd), the Group's revenue and profit for the financial year would have been RM12,115,222,200 and RM675,281,657 respectively.

The assets and liabilities arising from the acquisition of the subsidiary during the financial year and the effect of such acquisitions on the cash flows of the Group were as follows:

	Note	Fair values recognised on acquisition RM'000	Carrying amounts in acquiree's books RM'000
Property, plant and equipment	13	2,877,876	2,877,876
Prepaid lease payment	14	69,054	69,054
Loan receivables		479,940	479,940
Other non current assets		61,717	61,717
Derivative financial assets		62,800	62,800
Trade and other receivables		831,375	831,375
Inventories		618,830	695,065
Cash and cash equivalents		618,446	618,446
Trade and other payables		(844,614)	(844,614)
Provisions	37	(19,198)	–
Derivative financial liabilities		(240,066)	(240,066)
Provision for taxation		(10,350)	(10,350)
Borrowings		(703,112)	(703,112)
Bonds		(839,895)	(839,895)
Deferred income	34	(69,149)	(69,149)
Deferred taxation	30	(218,054)	(218,054)
Identifiable net assets acquired		2,675,600	2,771,033

Purchase consideration:	
– cash consideration	8,158,980
– Assumption of loan from PowerSeraya Limited owed by former shareholder	479,940
– expenses directly attributable to the acquisition, paid in cash	269,246
– Amount receivable from former shareholder	(339,951)
	8,568,215
Fair value of net assets acquired	(2,675,600)
Goodwill	5,892,615

Goodwill is attributable to the generation, strong retail business and the significant synergies expected to arise.

Details of cash flow arising from the acquisition are as follows:

Purchase consideration	8,568,215
Less: Cash and cash equivalents in subsidiary acquired	(618,446)
Less: Assumption of loan from PowerSeraya Limited owed by former shareholder	(479,940)
Net cash outflow on acquisition	7,469,829

(ii) YTL Communications Sdn Bhd

On 18 June 2009, the Company acquired 300,000 ordinary shares of RM1.00 each representing 60% of the issued and paid-up share capital of YTL Communications Sdn Bhd from YTL e-Solutions Berhad for a total consideration of RM300,000.

The effect of the newly acquired subsidiary on the financial results of the financial year is as follows:

	2009 RM'000
Revenue	–
Loss for the financial year	(31)

If the acquisitions had occurred on 1 July 2008 (taking into consideration the acquisition of PowerSeraya Limited), the Group's revenue and profit for the financial year would have been RM6,093,393,964 and RM646,471,127 respectively.

The assets and liabilities arising from the acquisition of the subsidiary during the financial year and the effect of such acquisitions on the cash flows of the Group were as follows:

	Note	Fair values recognised on acquisition RM'000	Carrying amounts in acquiree's books RM'000
Property, plant and equipment	13	22,364	22,364
Other receivables		379	379
Cash and cash equivalents		415	415
Other payables		(1,687)	(1,687)
Inter-company balances		(21,125)	(21,125)
Identifiable net assets		346	346
Less : Minority interest		(138)	(138)
Identifiable net assets acquired		208	208

Purchase consideration:	
– cash consideration payable	300
Fair value of net assets acquired	(208)
Goodwill	92

Goodwill is attributable to the significant synergies expected to arise.

Details of cash flow arising from the acquisition are as follows:

Purchase consideration settled in cash	–
Less: Cash and cash equivalents in subsidiary acquired	(415)
Net cash surplus on acquisition	(415)

17. JOINT VENTURES

The joint venture mentioned below is held by a subsidiary, Wessex Water Limited.

(a) Jointly controlled operations

The Group has a 50% interest in a joint arrangement, Bristol Wessex Billing Services Limited, which was incorporated in England and Wales. On 28 June 2001, Wessex Water Limited and Wessex Water Services Limited entered into a joint arrangement with a third party, under which the billing and customer services of both groups were transferred to Bristol Wessex Billing Services Limited.

The Group's share of the assets, liabilities and expenses of the jointly controlled operations has been accounted for in the book of the relevant subsidiary as follows:

	Group	
	2009 RM'000	2008 RM'000
Non-current assets	**1,758**	2,604
Current assets	**7,031**	7,163
Current liabilities	**(8,789)**	(9,767)
Net assets/(liabilities)	**–**	–
Expenses	**54,954**	63,259

18. ASSOCIATED COMPANIES

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Unquoted shares, at cost	**623,020**	577,743	**5**	5
Group's share of post-acquisition reserves	**353,985**	352,129	**–**	–
Group's share of net assets	**977,005**	929,872	**5**	5

(a) The Group's share of revenue and profit of associated companies are as follows:

	Group	
	2009 RM'000	2008 RM'000
Revenue	**839,071**	803,882
Profit after taxation	**225,484**	209,889

(b) The Group's share of the assets and liabilities of the associated companies are as follows:

	Group	
	2009 RM'000	2008 RM'000
Non-current assets	**1,522,402**	1,476,004
Current assets	**455,674**	523,859
Current liabilities	**(147,826)**	(122,389)
Non-current liabilities	**(853,245)**	(947,602)
Net assets	**977,005**	929,872

(c) The associated companies are as follows:

Name of company	Country of incorporation	Group's effective interest 2009 %	Group's effective interest 2008 %	Principal activities
ElectraNet Transmission Services Pty Ltd	Australia	**33.5**	33.5	Principal electricity transmission network service provider
Jimah Power Generation Sdn Bhd	Malaysia	**49.0**	49.0	Developing, constructing, completing, maintaining and operating power plants. The company has not commenced operations
P.T. Jawa Power	Indonesia	**35.0**	35.0	To construct, commission and operate a coal-fired thermal power station
Teknologi Tenaga Perlis (Overseas) Consortium Sdn Bhd	Malaysia	**30.0**	30.0	Dormant

19. INVESTMENTS

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
At cost:				
Shares quoted in Malaysia*	**103,030**	103,036	**96,338**	96,341
Shares in unquoted corporations – preference shares	**540,653**	594,934	**–**	–
Shares quoted outside Malaysia	**3**	5	**–**	–
Unquoted loan notes outside Malaysia	**10,763**	13,651	**–**	–
	654,449	711,626	**96,338**	96,341
At market value:				
Shares quoted in Malaysia	**143,811**	136,492	**134,778**	127,261
Shares quoted outside Malaysia	**14**	15	**–**	–
	143,825	136,507	**134,778**	127,261

* Included here is an investment in 29,111,181 units of Irredeemable Convertible Unsecured Loan Stocks ('ICULS') of RM1.00 each in a related company, YTL Cement Berhad. These are ten (10) years ICULS issued on 10 November 2005. These ICULS bear a step-up coupon rate ranging from 4% to 6% per annum until its maturity date. The interest is payable semi-annually. The conversion price of the ICULS is fixed at a step down basis, in the first four (4) years, the conversion price is at RM2.72 for one (1) ordinary share in YTL Cement Berhad, after which it is at RM2.04 in the next three (3) years and at RM1.82 for the remaining three (3) years.

20. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
<u>Non-Current</u>				
Prepayments	**56,958**	–	**–**	–
Other receivables	**853**	–	**–**	–
	57,811	–	**–**	–
<u>Current</u>				
Trade receivables	**732,249**	733,886	**–**	–
Less: Allowance for doubtful debts	**(79,139)**	(248,739)	**–**	–
	653,110	485,147	**–**	–
Accrued income	**864,301**	325,296	**–**	–
Amount receivable from a related company	**36**	6,542	**4**	22
Amount receivable from former shareholder of a foreign subsidiary	**344,272**	–	**–**	–
Amounts recoverable from a supplier*	**191,659**	–	**–**	–
Deposits	**55,100**	208	**5**	5
Fixed deposit interest receivable	**696**	23,706	**373**	7,333
Other receivables	**129,687**	100,493	**39,671**	36,407
Prepayments	**140,721**	87,391	**765**	–
	2,379,582	1,028,783	**40,818**	43,767

Credit terms of trade receivables range averages at 30 days (2008: 30 days).

The Group has no significant concentration of credit risk other than that related to its power generation business whereby it supplies to a single customer and acquires gas supply from a single supplier, both of which are credit worthy entities. As at 30 June 2009, 30% (2008: 33%) of receivables was due from a customer in relation to the sale of electricity.

* *A subsidiary of the Company entered into a Gas Supply Agreement ('GSA') on 15 March 1993. Under this agreement, the price of gas to be supplied is calculated by reference to a market price-related formula. However, since 1 May 1997, the Government of Malaysia has fixed the price of gas and accordingly, the market price-related formula applicable under the GSA has not been used by the gas supplier. As a consequence, a dispute arose over whether a discount provided for under the market price-related formula was applicable under the GSA. The Government has informed the subsidiary company that the discount should be reinstated with effect from 1 January 2002. However, contrary to the decision of the Government, the gas supplier advised the subsidiary company that effective from 1 January 2000 the discount has been withdrawn. As such, as at 30 June 2009, a sum of RM191,659,204 has been paid to the gas supplier under protest. The Directors believe that this amount will be fully recoverable.*

21. INVENTORIES

Inventories comprise:

	Group	
	2009 RM'000	2008 RM'000
– Spare parts	**143,063**	121,198
– Raw materials	**15,119**	13,327
– Work in progress	**17,218**	18,141
– Fuel	**643,472**	–
	818,872	152,666

22. FINANCIAL DERIVATIVES

The derivative financial assets and liabilities arise from the acquisition of PowerSeraya Limited on 6 March 2009. These financial derivatives are recognised at fair value as at that date. The derivative financial assets and liabilities recorded as at 30 June 2009 are the remaining open contracts which will be realised upon maturity.

23. AMOUNT OWING BY/(TO) IMMEDIATE AND PENULTIMATE HOLDING COMPANY

The amount owing by/(to) the immediate and penultimate holding company relates to expenses paid on the Group's behalf and is unsecured, has no fixed terms of repayment and is interest free.

24. AMOUNTS OWING BY/(TO) SUBSIDIARIES

The amounts owing by/(to) subsidiaries within 12 months are interest free, unsecured, and has no fixed terms of repayment except for a subsidiary which bears an interest rate of 1.5% per annum above the Base Lending Rate of a local bank. The amounts receivable within 12 months are in respect of interests receivable on advances and operational expense payments made on behalf of a subsidiary.

The amounts payable within 12 months are in respect of advances and operational expense payments made by subsidiaries on behalf of the Company.

25. SHORT TERM INVESTMENTS

	Group and Company	
	2009 **RM'000**	**2008** **RM'000**
Unquoted debt securities of corporations in Malaysia		
At cost	**47,201**	45,872

26. FIXED DEPOSITS

	Group		Company	
	2009 **RM'000**	2008 RM'000	**2009** **RM'000**	2008 RM'000
Deposits with licensed banks	**5,620,570**	9,360,251	**482,084**	3,668,530

The range of interest rates of deposits that was effective as at the Balance Sheet date is as follows:

	Group		Company	
	2009 **%**	2008 %	**2009** **%**	2008 %
Deposits with licensed banks	**0.02 –5.62**	1.40 –7.01	**1.95 – 3.57**	3.47 – 3.54

Deposits of the Group and the Company have an average maturity of 30 days (2008: 30 days).

27. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Cash Flow Statements of the Group and the Company comprise the following:

		Group		Company	
	Note	**2009** **RM'000**	2008 RM'000	**2009** **RM'000**	2008 RM'000
Fixed deposits	26	**5,620,570**	9,360,251	**482,084**	3,668,530
Cash and bank balances		**286,181**	63,509	**1,236**	4,507
Bank overdrafts	32(f)	**–**	(47,843)	**–**	–
		5,906,751	9,375,917	**483,320**	3,673,037

Bank balances are deposits held at call with banks.

28. SHARE CAPITAL

	Group and Company	
	2009 RM'000	2008 RM'000
Authorised:		
At beginning and end of the year – 22,730,000 ordinary shares of RM0.50 each	**11,365,000**	11,365,000
Issued and fully paid:		
At beginning of the year – 5,442,640,411 (2008: 5,296,315,606) ordinary shares of RM0.50 each	**2,721,320**	2,648,158
Exercise of share options – 608,500 (2008: 4,077,750) ordinary shares of RM0.50 each	**304**	2,039
Exercise of share Warrants – 467,031,634 (2008: 43,606,829) ordinary shares of RM0.50 each	**233,516**	21,803
Conversion of bonds – (2008: 98,640,226) ordinary shares of RM0.50 each	**–**	49,320
At end of the year – 5,910,280,545 (2008: 5,442,640.411) ordinary shares of RM0.50 each	**2,955,140**	2,721,320

The issued and fully paid up share capital of the Company was increased from RM2,721,320,205 to RM2,955,140,272 following the exercise of 608,500 ESOS at exercise prices ranging from RM1.32 to RM1.90 per share, the exercise of 467,031,634 Warrants at exercise prices ranging from RM1.17 to RM1.25 per Warrant on the basis of one (1) new ordinary share for every one (1) Warrant exercised. The new ordinary shares of 50 sen each rank pari passu in all respects with the existing issued shares of the Company.

Of the total 5,910,280,545 (2008: 5,442,640,411) issued and fully paid ordinary shares at 30 June 2009, the Company holds 56,651,745 (2008: 154,405,836) shares as treasury shares. As at 30 June 2009, the number of ordinary shares in issue and fully paid after offsetting treasury shares are 5,853,628,800 (2008: 5,288,234,575).

(a) Warrants 2000/2010

The Company had on 11 January 2000 issued RM750,000,000 nominal value of seven-year 7% Redeemable Non-Guaranteed Unsecured Bonds ('the Bond') 2000/2007 with 572,166,338 detachable Warrants ('Warrants').

The Warrants were constituted under a deed poll dated 13 March 2000 and each Warrant entitles its registered holder to subscribe for one (1) new ordinary share of RM1.00 each in the Company at the initial exercise price of RM2.75 payable in cash. This initial exercise price of the Warrants will be increased annually by four (4) sen from the first anniversary to the ninth anniversary of the date of issue. The initial exercise price is also subject to adjustments in accordance with the basis set out in the deed poll.

Each Warrant entitles its registered holder to subscribe for one (1) new ordinary share of 50 sen each in the Company at the revised exercise price of RM1.20 payable in cash.

Effective from 22 September 2008, the exercise price of Warrant was adjusted from RM1.20 to RM1.17 pursuant to the share dividend of one (1) treasury share for every forty (40) existing ordinary shares of 50 sen each.

On 10 January 2009, the exercise price was increased from RM1.17 to RM1.19 pursuant to the deed poll. The exercise price of the Warrants will be increased annually by two (2) sen from thereon until to the ninth anniversary of the date of issue.

The Warrants may be exercised at any time or before 8 January 2010. Any Warrants which have not been exercised at date of maturity will lapse and cease to be valid for any purpose.

The new ordinary shares allotted and issued upon exercise of the Warrants shall be fully paid and rank pari passu with the then existing ordinary shares of the Company. The Warrant holder will not have any voting rights in any general meeting of the Company unless the Warrants are exercised into new ordinary shares and registered prior to the date of the general meeting of the Company.

(b) Warrants 2008/2018

As indicated in Note 31(k) to the financial statements, the Company had on 18 April 2008 issued RM2,200,000,000 nominal value of five-year 3.00% Redeemable Non Guaranteed Unsecured Bonds 2008/2013 with 1,776,371,304 detachable Warrants ('Warrants').

The Warrants were constituted under a Deed Poll dated 5 May 2008 and each Warrant entitles its registered holder to subscribe for one (1) new ordinary share of RM0.50 each in the Company at the exercise price of RM1.25 payable in cash. The exercise price is subject to adjustments in accordance with the basis set out in the deed poll.

Effective from 22 September 2008, the exercise price of Warrant was adjusted from RM1.25 to RM1.21 pursuant to the share dividend of one (1) treasury share for every forty (40) existing ordinary shares of 50 sen each.

The Warrants may be exercised at any time commencing on the date of issue of Warrants on 12 June 2008 but not later than 11 June 2018. Any Warrants which have not been exercised at date of maturity will lapse and cease to be valid for any purpose.

The total number of Warrants that remain unexercised are as follows:

	Group and Company '000
At 1 July 2007	889,594
Warrants issued during the year	1,776,371
Exercise of Warrants	(43,607)
At 30 June 2008	2,622,358
At 1 July 2008	**2,622,358**
Exercise of Warrants	**(467,032)**
At 30 June 2009	**2,155,326**

(c) Employees' Share Option Scheme

The Company implemented an Employees' Share Option Scheme ('ESOS') which came into effect on 30 November 2001 for a period of ten (10) years. The ESOS is governed by the bye-laws which were approved by the shareholders on 16 October 2001.

(i) The maximum number of shares, which may be made available under the Scheme, shall not exceed ten per cent (10%) of the total issued and paid up share capital of the Company at the time of offering the option.

(ii) Any employee (including Executive Directors) of the Group shall be eligible to participate in the Scheme if, as at the date of offer for an option ('Offer Date') the employee:

(a) has attained the age of eighteen (18) years;

(b) is employed by and on payroll of a company within the Group; and

(c) has been in the employment of the Group for a period of at least one (1) year of continuous service prior to and up to the Offer Date, including service during the probation period, and is confirmed in service. The ESOS Committee may, at its discretion, nominate any employee (including Executive Directors) of the Group to be an eligible employee despite the eligibility criteria under Clause 4.1(iii) of the bye-laws not being met, at any time and from time to time.

(iii) The price payable for shares under the Scheme shall be based on the five (5)-day weighted average market price of the underlying shares at the time the option is granted, with a discount of not more than ten per cent (10%), if deemed appropriate.

(iv) Subject to Clause 14, the ESOS Committee may, at any time and from time to time, before or after an option is granted, limit the exercise of the option to a maximum number of new ordinary shares of the Company and/or such percentage of the total ordinary shares of the Company comprised in the option during such period(s) within the option period and impose any other terms and/or conditions deemed appropriate by the ESOS Committee in its sole discretion including amending/varying any terms and conditions imposed earlier. Notwithstanding the above, and subject to Clause 11 and 12, the option can only be exercised by the grantee three (3) years after the Offer Date, by notice in writing to the Company, provided however that the ESOS Committee may at its discretion or upon the request in writing by the grantee allow the option to be exercised at any earlier or other period.

(v) The grantee shall be prohibited from disposing the ordinary shares of the Company so allotted to him for a period of twelve (12) months from the date on which the option is exercised. However, the ESOS Committee may at its discretion or upon request in writing by the grantee allow the disposal of such ordinary shares of the Company at any earlier or other period.

(vi) The person to whom the option has been granted has no right to participate by virtue of the option in any share of any other company.

The movements during the year in the number of share options of the Company are as follows:

Year ended 30 June 2009

			Number of share options				
Grant date	Expiry date	Exercise price RM/share	At start of financial year '000	Granted '000	Exercised '000	Lapsed '000	At end of financial year '000
*16.10.2002	29.11.2011	1.14	20	–	–	–	20
*13.12.2002	29.11.2011	1.32	13,179	–	(100)	(200)	12,879
*26.12.2002	29.11.2011	1.39	4,498	–	(108)	–	4,390
*12.12.2003	29.11.2011	1.53	1,819	–	–	(100)	1,719
*12.12.2003	29.11.2011	1.70	1,518	–	–	–	1,518
16.05.2005	29.11.2011	1.82	3,900	–	–	–	3,900
16.05.2005	29.11.2011	2.02	4,514	–	–	(170)	4,344
01.08.2005	29.11.2011	1.90	41,872	–	(400)	(46)	41,426
07.08.2006	29.11.2011	1.74	900	–	–	(200)	700
07.08.2006	29.11.2011	1.93	5,316	–	–	(472)	4,844
07.08.2006	29.11.2011	1.74	4,686	–	–	(236)	4,450
20.08.2007	29.11.2011	2.04	900	–	–	–	900
20.08.2007	29.11.2011	2.27	3,496	–	–	(136)	3,360
16.01.2008	29.11.2011	2.39	74	–	–	(7)	67
26.06.2008	29.11.2011	1.80	90	–	–	–	90
28.11.2008	29.11.2011	1.61	–	6,560	–	–	6,560
28.11.2008	29.11.2011	1.78	–	9,696	–	(272)	9,424
17.02.2009	29.11.2011	1.68	–	43,139	–	(42)	43,097
			86,782	59,395	(608)	(1,881)	143,688

Year ended 30 June 2008

Grant date	Expiry date	Exercise price RM/share	At start of financial year '000	Granted '000	Exercised '000	Lapsed '000	At end of financial year '000
			Number of share options				
*16.10.2002	29.11.2011	1.14	20	–	–	–	20
*13.12.2002	29.11.2011	1.32	16,343	–	(2,964)	(200)	13,179
*26.12.2002	29.11.2011	1.39	5,070	–	(572)	–	4,498
*12.12.2003	29.11.2011	1.53	2,361	–	(542)	–	1,819
*12.12.2003	29.11.2011	1.70	1,518	–	–	–	1,518
16.05.2005	29.11.2011	1.82	4,100	–	–	(200)	3,900
16.05.2005	29.11.2011	2.02	4,850	–	–	(336)	4,514
01.08.2005	29.11.2011	1.90	41,883	–	–	(11)	41,872
07.08.2006	29.11.2011	1.74	900	–	–	–	900
07.08.2006	29.11.2011	1.93	5,486	–	–	(170)	5,316
07.08.2006	29.11.2011	1.74	5,107	–	–	(421)	4,686
20.08.2007	29.11.2011	2.04	–	900	–	–	900
20.08.2007	29.11.2011	2.27	–	3,734	–	(238)	3,496
16.01.2008	29.11.2011	2.39	–	99	–	(25)	74
26.06.2008	29.11.2011	1.80	–	90	–	–	90
			87,638	4,823	(4,078)	(1,601)	86,782

	2009 '000	2008 '000
Number of share options vested at Balance Sheet date	**70,196**	29,448

* *FRS 2 not applicable for these transactions*

The fair value of options granted in which FRS 2 applies, were determined using the Trinomial Valuation model. The significant inputs in the model are as follows:

	2009	2008
Group		
Valuation assumptions:-		
Weighted average share price at date of grant (per share)	**RM1.85 – 2.59**	RM1.92 – 2.59
Expected volatility	**3.50% – 21.14%**	3.50%
Expected dividend yield	**5.50% – 7.80%**	5.50% – 7.80%
Expected option life	**2 – 5 years**	3 – 5 years
Risk-free interest rate per annum (based on Malaysian securities bonds)	**2.83% – 4.10%**	2.91% – 4.10%

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

Value of employee services received for issue of share options:

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Share options granted	**2,240**	1,204	**2,240**	1,204
Allocation to subsidiaries	**–**	–	**(1,472)**	(637)
Allocation to related company	**(8)**	(8)	**(8)**	(8)
Total share options expenses	**2,232**	1,196	**760**	559

29. RESERVES

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Share premium	**1,774,815**	1,699,219	**1,774,815**	1,699,219
Merger and other reserves	**(2,663,078)**	(2,037,888)	**136,790**	180,119
Treasury shares	**(119,810)**	(360,149)	**(119,810)**	(360,149)
Retained earnings	**4,154,857**	4,377,893	**2,228,020**	2,504,098
	3,146,784	3,679,075	**4,019,815**	4,023,287

(a) Merger and other reserves

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Non-distributable				
Capital redemption reserve	**20,000**	20,000	**–**	–
Capital reserve	**1,764**	1,635	**–**	–
Equity component of Exchangeable Bond (Note 31(d))	**24,089**	22,338	**–**	–
Exchange difference reserve	**(759,825)**	(172,259)	**–**	–
Merger reserve	**(2,138,533)**	(2,138,533)	**–**	–
Share of an associated company's statutory reserves transferred from retained earnings	**52,637**	48,812	**–**	–
Share options reserve	**5,542**	3,330	**5,542**	3,330
Warrant reserve	**131,248**	176,789	**131,248**	176,789
	(2,663,078)	(2,037,888)	**136,790**	180,119

The movement in each category of reserves are as follows:

	Group 2009 RM'000	Group 2008 RM'000
Capital redemption reserve*		
At 1 July/30 June	**20,000**	20,000

* Capital redemption reserve has been set up for purposes of redemption of preference shares in a subsidiary

	Group 2009 RM'000	Group 2008 RM'000
Capital reserve		
At 1 July	**1,635**	1,730
Exchange differences	**129**	(95)
At 30 June	**1,764**	1,635
Equity component of Exchangeable Bond		
At 1 July	**22,338**	34,301
Conversion of bonds during the year	**–**	(7,249)
Exchange differences	**1,751**	(4,714)
At 30 June	**24,089**	22,338
Exchange difference reserve		
At 1 July	**(172,259)**	(50,342)
Exchange differences	**(587,566)**	(121,917)
At 30 June	**(759,825)**	(172,259)
Merger reserve		
At 1 July/30 June	**(2,138,533)**	(2,138,533)

	Group	
	2009 RM'000	2008 RM'000
Share of associated company's statutory reserves transferred from retained earnings		
At 1 July	**48,812**	41,198
Share of statutory reserves	**–**	9,996
Exchange differences	**3,825**	(2,382)
At 30 June	**52,637**	48,812

	Group and Company	
	2009 RM'000	2008 RM'000
Share options reserve		
At 1 July	**3,330**	2,126
Share options granted	**2,240**	1,204
Share options exercised	**(28)**	–
At 30 June	**5,542**	3,330
Warrant reserve		
At 1 July	**176,789**	–
Warrant reserve arising from issuance of Warrant during the year	**–**	177,637
Conversion of Warrant during the year	**(45,541)**	(848)
At 30 June	**131,248**	176,789

(b) Treasury shares

The shareholders of the Company, by a resolution passed in the 12th Annual General Meeting held on 2 December 2008, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the year, the Company repurchased 40,065,300 (2008: 169,267,200) of its issued share capital from the open market. The average price paid for the shares repurchased was RM1.78 per share (2008: RM2.38 per share). The repurchase transactions were financed by internally generated funds. The repurchased shares are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

On 22 September 2008, a total of 137,819,391 treasury shares amounting to RM311,843,936 were distributed as share dividend to shareholders on the basis of one (1) treasury share for every forty (40) ordinary shares held on 11 September 2008.

(c) Retained earnings

Pursuant to the Finance Act 2007, the single tier company income tax system was introduced. Under the single tier system, the tax on a Company's profit is a final tax and the dividends distributed to its shareholders would be exempted from tax. The Company has elected for irrevocable option to disregard the unutilised section 108 balances as at 30 June 2009.

30. DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the Balance Sheet:

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Deferred tax liabilities	**2,796,681**	2,199,393	**23**	30
At 1 July	**2,199,393**	2,308,389	**30**	20
Acquisition of subsidiaries (Note 16 (b))	**218,054**	–	–	–
Charged/(Credited) to Income Statement	**547,318**	1,988	**(7)**	10
Recognition of investment allowance	**(11,030)**	–	–	–
Exchange differences	**(157,054)**	(110,984)	–	–
At 30 June	**2,796,681**	2,199,393	**23**	30
Subject to income tax				
Deferred tax assets before offsetting:				
– Retirement benefits	**69,011**	86,402	–	–
– Investment allowance	**74,297**	–	–	–
– Provision	**48,391**	–	–	–
– Others	**5,114**	5,656	–	–
	196,813	92,058	–	–
Offsetting	**(196,813)**	(92,058)	–	–
	–	–	–	–
Deferred tax liabilities before offsetting:				
– Property, plant and equipment	**2,960,642**	2,273,250	**23**	30
– Others	**32,852**	18,201	–	–
	2,993,494	2,291,451	**23**	30
Offsetting	**(196,813)**	(92,058)	–	–
	2,796,681	2,199,393	**23**	30

31. BONDS

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Current					
Fixed Rate Bonds	31 (a)	–	62,500	–	–
5.875% Guaranteed Unsecured Bonds	31 (b)	–	1,300,542	–	–
Guaranteed Variable Coupon Bonds due 2009	31 (c)	–	651,140	–	–
Zero Coupon Exchangeable Guaranteed Bonds Due 2010	31 (d)	720,665	–	–	–
		720,665	2,014,182	–	–
Non-current					
3.52% Retail Price Index Guaranteed Bonds	31 (e)	358,311	383,864	–	–
5.75% Guaranteed Unsecured Bonds	31 (f)	2,025,252	2,249,524	–	–
5.375% Guaranteed Unsecured Bonds	31 (g)	1,160,128	1,288,570	–	–
Zero Coupon Exchangeable Guaranteed Bonds Due 2010	31 (d)	–	644,036	–	–
1.75% Index Linked Guaranteed Bonds	31 (h)	963,885	1,032,625	–	–
1.369% and 1.374% Index Linked Guaranteed Bonds	31 (i)	963,885	1,032,625	–	–
1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds	31 (j)	911,702	979,776	–	–
3.00% Redeemable Non Guaranteed Unsecured Bonds	31(k)	2,072,180	2,038,729	2,072,180	2,038,729
3.97% Unsecured Bonds	31(l)	850,570	–	–	–
		9,305,913	9,649,749	2,072,180	2,038,729
Total					
Fixed Rate Bonds	31 (a)	–	62,500		–
5.875% Guaranteed Unsecured Bonds	31 (b)	–	1,300,542		–
Guaranteed Variable Coupon Bonds Due 2009	31 (c)	–	651,140		–
Zero Coupon Exchangeable Guaranteed Bonds Due 2010	31 (d)	720,665	644,036		–
3.52% Retail Price Index Guaranteed Bonds	31 (e)	358,311	383,864		–
5.75% Guaranteed Unsecured Bonds	31 (f)	2,025,252	2,249,524		–
5.375% Guaranteed Unsecured Bonds	31 (g)	1,160,128	1,288,570		–
1.75% Index Linked Guaranteed Bonds	31 (h)	963,885	1,032,625		–
1.369% and 1.374% Index Linked Guaranteed Bonds	31 (i)	963,885	1,032,625		–
1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds	31 (j)	911,702	979,776		–
3.00% Redeemable Non Guaranteed Unsecured Bonds	31(k)	2,072,180	2,038,729	2,072,180	2,038,729
3.97% Unsecured Bonds	31 (l)	850,570	–		–
		10,026,578	11,663,931	2,,072,180	2,038,729

All bonds of subsidiaries are on a non-recourse basis to the Company save and except for RM720,665,380 (USD204,589,178) Zero Coupon Exchangeable Guaranteed Bonds Due 2010.

The weighted average effective interest rate of the Group and the Company as at the balance sheet is as follows:

	Group		Company	
	2009 %	2008 %	**2009 %**	2008 %
Weighted average effective interest rate				
Fixed Rate Bonds	–	–	–	–
5.875% Guaranteed Unsecured Bonds	**5.875**	5.875	–	–
Guaranteed Variable Coupon Bonds Due 2009	**5.875**	5.875	–	–
Zero Coupon Exchangeable Guaranteed Bonds Due 2010	**3.375**	3.375	–	–
3.52% Retail Price Index Guaranteed Bonds	**7.155**	7.599	–	–
5.75% Guaranteed Unsecured Bonds	**5.845**	5.750	–	–
5.375% Guaranteed Unsecured Bonds	**5.505**	5.375	–	–
1.75% Index Linked Guaranteed Bonds	**5.446**	5.788	–	–
1.369% and 1.374% Index Linked Guaranteed Bonds	**5.074**	5.338	–	–
1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds	**4.902**	2.793	–	–
3.00% Redeemable Non Guaranteed Unsecured Bonds	**4.850**	4.850	**4.850**	4,850
3.97% Unsecured Bonds	**4.210**	–	–	–

The fair value of the Bonds of the Group and the Company as at the Balance Sheet date is as set out below:

	Group		Company	
	Fair value 2009 RM'000	Fair value 2008 RM'000	**Fair value 2009 RM'000**	Fair value 2008 RM'000
Fixed Rate Bonds	–	64,370	–	–
5.875% Guaranteed Unsecured Bonds	–	1,288,619	–	–
Guaranteed Variable Coupon Bonds Due 2009	–	651,140	–	–
Zero Coupon Exchangeable Guaranteed Bonds Due 2010	**852,524**	721,022	–	–
3.52% Retail Price Index Guaranteed Bonds	**306,571**	431,934	–	–
5.75% Guaranteed Unsecured Bonds	**1,930,343**	2,110,618	–	–
5.375% Guaranteed Unsecured Bonds	**1,062,718**	1,135,771	–	–
1.75% Index Linked Guaranteed Bonds	**1,084,362**	1,244,173	–	–
1.369% and 1.374% Index Linked Guaranteed Bonds	**946,861**	1,161,943	–	–
1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds	**938,087**	1,157,779	–	–
3.00% Redeemable Non Guaranteed Unsecured Bonds	**2,229,221**	2,124,259	**2,229,221**	2,124,259
3.97% Unsecured Bonds	**855,418**	–	–	–
	10,206,105	12,091,628	**2,229,221**	2,124,259

The period in which the bonds of the Group and the Company attain maturity are as follows:

	Not later than 1 year RM'000	Later than 1 year but not later than 5 years RM'000	Later than 5 years RM'000	Total RM'000
At 30 June 2009				
Zero Coupon Exchangeable Guaranteed Bonds Due 2010	**720,665**	**–**	**–**	**720,665**
3.52% Retail Price Index Guaranteed Bonds	**–**	**–**	**358,311**	**358,311**
5.75% Guaranteed Unsecured Bonds	**–**	**–**	**2,025,252**	**2,025,252**
5.375% Guaranteed Unsecured Bonds	**–**	**–**	**1,160,128**	**1,160,128**
1.75% Index Linked Guaranteed Bonds	**–**	**–**	**963,885**	**963,885**
1.369% and 1.374% Index Linked Guaranteed Bonds	**–**	**–**	**963,885**	**963,885**
1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds	**–**	**–**	**911,702**	**911,702**
3.00% Redeemable Non Guaranteed Unsecured Bonds	**–**	**2,072,180**	**–**	**2,072,180**
3.97% Unsecured Bonds	**–**	**850,570**	**–**	**850,570**
	720,665	**2,922,750**	**6,383,163**	**10,026,578**
At 30 June 2008				
Fixed Rate Bonds	62,500	–	–	62,500
5.875% Guaranteed Unsecured Bonds	1,300,542	–	–	1,300,542
Guaranteed Variable Coupon Bonds Due 2009	651,140	–	–	651,140
3.52% Retail Price Index Guaranteed Bonds	–	–	383,864	383,864
5.75% Guaranteed Unsecured Bonds	–	–	2,249,524	2,249,524
5.375% Guaranteed Unsecured Bonds	–	–	1,288,570	1,288,570
Zero Coupon Exchangeable Guaranteed Bonds Due 2010	–	644,036	–	644,036
1.75% Index Linked Guaranteed Bonds	–	–	1,032,625	1,032,625
1.369% and 1.374% Index Linked Guaranteed Bonds	–	–	1,032,625	1,032,625
1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds	–	–	979,776	979,776
3.00% Redeemable Non Guaranteed Unsecured Bonds	–	2,038,729	–	2,038,729
	2,014,182	2,682,765	6,966,984	11,663,931

(a) Fixed Rate Bonds

The Fixed Rate Bonds were issued pursuant to a Subscription Agreement dated 30 October 1993 and bear interest at a rate of 10% per annum. The principal amount of the bonds issued under the subscription agreement was RM1,500,000,000.

The Fixed Rate Bonds are secured by fixed and floating charges over all assets of a subsidiary, YTL Power Generation Sdn Bhd, both present and future. The Fixed Rate Bonds are repayable in half-yearly equal instalments commenced from the year 1999. The Fixed Rate Bonds was fully repaid on 15 November 2008.

(b) 5.875% Guaranteed Unsecured Bonds

On 30 March 1999, Wessex Water Services Finance Plc ('Issuer'), a subsidiary of the Group, issued GBP300,000,000 nominal value of 5.875% Guaranteed Unsecured Bonds due 2009 ('GU Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'), a subsidiary of the Group. The GU Bonds are constituted under a Trust Deed dated 30 March 1999. The nominal value of GU Bonds issued amounted to GBP300,000,000. The net proceeds of the GU Bonds were used for refinancing existing financial indebtedness and for general corporate purposes.

The principal features of the GU Bonds are as follows:

(i) The GU Bonds bear interest at 5.875% per annum, payable annually on 30 March of each year.

(ii) Unless previously redeemed, repurchased, cancelled or otherwise satisfied by the Issuer, the bonds will be redeemed in full by the Issuer on 30 March 2009 at their nominal value together with all accrued interest on the surrender of the GU Bonds.

(iii) The Issuer may, at any time, purchase the GU Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all bondholders alike. All GU Bonds purchased by the Issuer will forthwith be cancelled.

(iv) The Issuer, by giving the appropriate notice and in accordance with the conditions laid out in the offering circular, may purchase the GU Bonds if there is a change in tax legislation or if it wishes to do so at a price determined by an agreed formula.

(v) The bondholders may put the GU Bonds to the Issuer if:

- Wessex Water Services Limited loses its Appointment;
- the Issuer ceases to be a subsidiary of Wessex Water Services Limited; or
- a Restructuring Event occurs which results in the GU Bonds being downgraded below investment grade. 'Appointment' refers to the Instrument of Appointment dated 1 September 1989 under Section 11 of the Water Act 1989 (now Section 6 of the Water Industry Act, 1991) appointing the Guarantor as a water undertaker and sewerage undertaker for the areas described therein. 'Restructuring Event' refers to either:
  - any material rights, benefits or obligations of Wessex Water Services Limited under the Appointment or any material terms of the Appointment are modified; or
  - any legislation is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment and/or the Director General of Water Services.

The Bonds was repaid on 30 March 2009.

(c) Guaranteed Variable Coupon Bonds Due 2009

On 30 March 2001, GBP100,000,000 nominal value of the GU Bonds were redeemed by the issue of GBP100,000,000 Guaranteed Variable Coupon Bonds ('GVC Bonds') due 2009 by Wessex Water Services Finance Plc unconditionally and irrevocably guaranteed by Wessex Water Services Limited.

The nominal value of GVC Bonds issued amounted to GBP100,000,000. Interest payable on the GVC Bonds is calculated by reference to ratings assigned to the bonds. The GVC Bonds are unsecured and the interest rate since issuance of the Bonds was 5.875% payable semi-annually in arrears on 30 September and 30 March of each year. Other features of the GVC Bonds remain similar to that of the GU Bonds mentioned previously.

The Bonds was repaid on 30 March 2009.

(d) Zero Coupon Exchangeable Guaranteed Bonds Due 2010

On 9 May 2005, YTL Power Finance (Cayman) Limited issued USD250 million nominal value five (5)-year Exchangeable Guaranteed Bonds at 100% nominal value which were listed on the Singapore Exchange Securities Trading Limited on 10 May 2005 ('The Bonds'). Each Bond entitles its registered holder to exchange for fully paid ordinary shares ('Shares') of the Company, YTL Power International Berhad, with a par value of RM0.50 each at an initial exchange price of RM2.277 per share at a fixed exchange rate of USD1.00 = RM3.80. The initial exchange price is also subject to adjustments in accordance with the terms and conditions of the Bonds as set out in the Trust Deed dated 9 May 2005. The exchange price has been revised to RM1.94 per ordinary share with effect from 26 December 2008.

The net proceeds from the issue of the Bonds will be used by the Company to finance its offshore investments and projects and/or for the potential repayment of foreign currency borrowing.

The principal features of the Bonds which matures on 9 May 2010 are as follows:

(i) The Bonds carry no coupon, have a maturity yield of 3.375% and have a put option at 110.56% on 9 May 2008. However, no put options were received by the Company on 9 May 2008.

(ii) The Bonds constitute direct, unsubordinated, unconditional and (subject to the negative pledge) unsecured obligations of YTL Power Finance (Cayman) Limited shall at all times rank pari passu and without any preference or priority among themselves.

(iii) The Bonds will be unconditionally and irrevocably guaranteed by the Company.

(iv) Final redemption

Unless previously purchased and cancelled, redeemed or exchanged, the Bonds will be redeemed on 9 May 2010 at 118.22% of their principal amount.

(v) Mandatory exchange option of YTL Power Finance (Cayman) Limited or the Company

On or at any time after 23 May 2008 but not less than 21 days prior to the Maturity Date, either YTL Power Finance (Cayman) Limited or the Company may, in respect of all (but not some) of the outstanding Bonds exercise an option to mandatorily exchange the Bonds for Shares, provided that the volume weighted average price of the Shares into which each USD100,000 principal amount of Bonds can be exchanged for each of 20 consecutive trading days ending on a date no earlier than five trading days prior to the date of notice of mandatory exchange was at least 120% of the early redemption amount of such USD100,000 principal amount Bonds. YTL Power Finance (Cayman) Limited or the Company, as the case may be, has the option to settle the mandatory exchange in full or in part by the payment of cash.

(vi) Redemption at the option of YTL Power Finance (Cayman) Limited

YTL Power Finance (Cayman) Limited may redeem the Bonds, in whole but not in part, at their early redemption amount if less than 10% of the aggregate principal amount of the Bonds originally issued is still outstanding.

(vii) Redemption by bondholders upon delisting of the shares of the Company or a change of control

Upon the shares ceasing to be listed on Bursa Malaysia Securities Berhad or upon a change of control of the Company, the Bonds may be redeemed at the option of bondholders at their early redemption amount at the relevant redemption date.

The nominal value of the 5-year Exchangeable Guaranteed Bonds amounted to USD250,000,000 and USD184,400,000 (2008: USD184,400,000) remained outstanding as at 30 June 2009, net of amortised fees and discount.

(e) 3.52% Retail Price Index Guaranteed Bonds

On 10 December 2001, Wessex Water Services Finance Plc ('Issuer') issued GBP50,000,000 nominal value of 3.52% Guaranteed Retail Price Index with Zero Floor Bonds due 2023 ('RPIG Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'). The RPIG Bonds were constituted under a Trust Deed dated 10 December 2001 and are unsecured.

The principal features of the RPIG Bonds are as follows:

(i) The RPIG Bonds bear interest semi-annually on 30 January and 30 July at an interest rate of 3.52% initially, indexed up by the inflation rate every year. The effective interest rate as at 30 June 2009 is 6.52% (2008: 7.80%).

(ii) Unless previously redeemed, repurchased, cancelled or otherwise satisfied by the Issuer, the RPIG Bonds will be redeemed in full by the Issuer on 30 July 2023 at their indexed value together with all accrued interest on the surrender of the Bonds.

(iii) The Issuer may, at any time, purchase the RPIG Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all bondholders alike. All RPIG Bonds purchased by the Issuer will forthwith be cancelled.

(iv) The Issuer, by giving the appropriate notice and in accordance with the conditions laid out in the offering circular, may purchase the RPIG Bonds if there is a change in tax legislation or if it wishes to do so at a price determined by an agreed formula.

(v) The bondholders may put the RPIG Bonds to the Issuer if:

- Wessex Water Services Limited loses its Appointment;
- the Issuer ceases to be a subsidiary of Wessex Water Services Limited; or
- a Restructuring Event occurs which results in the RPIG Bonds being downgraded below investment grade. 'Appointment' refers to the Instrument of Appointment dated 1 September 1989 under Section 11 of the Water Act 1989 (now Section 6 of the Water Industry Act, 1991) appointing the Guarantor as a water undertaker and sewerage undertaker for the areas described therein. 'Restructuring Event' refers to either:
  – any material rights, benefits or obligations of Wessex Water Services Limited under the Appointment or any material terms of the Appointment are modified; or
  – any legislation is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment and/or the Director General of Water Services.

The nominal value of RPIG Bonds issued of GBP50,000,000 remained outstanding as at 30 June 2009, net of amortised fees and discount. The net proceeds of the RPIG Bonds were used to fund the capital investment programme of Wessex Water Services Limited.

(f) 5.75% Guaranteed Unsecured Bonds

On 15 October 2003, Wessex Water Services Finance Plc ('Issuer'), a subsidiary of the Group, issued GBP350,000,000 nominal value of 5.75% Guaranteed Unsecured Bonds due 2033 ('GU Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'), a subsidiary of the Group. The GU Bonds are constituted under a Trust Deed dated 15 October 2003. The nominal value of GU Bonds issued amounted to GBP350,000,000 and GBP345,653,256 (2008: GBP345,474,622) remained outstanding as at 30 June 2009, net of amortised fees and discount. The net proceeds of the GU Bonds were used for refinancing of existing financial indebtedness and for general corporate purposes.

The principal features of the GU Bonds are as follows:

(i) The bonds bear interest at 5.75% per annum, payable annually on 14 October of each year.

(ii) Unless previously redeemed, repurchased, cancelled or otherwise satisfied by the Issuer, the bonds will be redeemed in full by the Issuer on 14 October 2033 at their nominal value together with all accrued interest on the surrender of the GU Bonds.

(iii) The Issuer may, at any time, purchase the GU Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all bondholders alike. All GU Bonds purchased by the Issuer will forthwith be cancelled.

(iv) The Issuer, by giving the appropriate notice and in accordance with the conditions laid out in the offering circular, may purchase the GU Bonds if there is a change in tax legislation or if it wishes to do so at a price determined by an agreed formula.

(v) The bondholders may put the GU Bonds to the Issuer if:

- Wessex Water Services Limited loses its Appointment;

- the Issuer ceases to be a subsidiary of Wessex Water Services Limited; or

- a Restructuring Event occurs which results in the GU Bonds being downgraded below investment grade. 'Appointment' refers to the Instrument of Appointment dated 1 September 1989 under Section 11 of the Water Act 1989 (now Section 6 of the Water Industry Act, 1991) appointing the Guarantor as a water undertaker and sewerage undertaker for the areas described therein. 'Restructuring Event' refers to either:

  – any material rights, benefits or obligations of Wessex Water Services Limited under the Appointment or any material terms of the Appointment are modified;

  – any legislation is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment and/or the Director General of Water Services.

(g) 5.375% Guaranteed Unsecured Bonds

On 10 March 2005, Wessex Water Services Finance Plc ('Issuer'), a subsidiary of the Group, issued GBP200,000,000 nominal value 5.375% Guaranteed Unsecured Bonds due 2028 ('GU Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'), a subsidiary of the Group. The GU Bonds are constituted under a Trust Deed dated 10 March 2005. The nominal value of GU Bonds issued amounted to GBP200,000,000, of which GBP198,001,087 (2008: GBP197,894,478) remained outstanding as at 30 June 2009, net of amortised fees and discount. The net proceeds of the GU Bonds were used for refinancing of existing financial indebtedness and for general corporate purposes.

The principal features of the GU Bonds are as follows:

(i) The bonds bear interest at 5.375% per annum, payable on 10 March of each year.

(ii) Unless previously redeemed, repurchased, cancelled or otherwise satisfied by the Issuer, the bonds will be redeemed in full by the Issuer on 10 March 2028 at their nominal value together with accrued interest on the surrender of the GU Bonds.

(iii) The Issuer may, at any time, purchase the GU Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all bondholders alike. All GU Bonds purchased by the Issuer will forthwith be cancelled.

(iv) The Issuer, by giving the appropriate notice and in accordance with the conditions laid out in the offering circular, may purchase the GU Bonds if there is a change in tax legislation or if it wishes to do so at a price determined by an agreed formula.

(v) The bondholders may put the GU Bonds to the Issuer if:

- Wessex Water Services Limited loses its Appointment;
- the Issuer ceases to be a subsidiary of Wessex Water Services Limited; or
- a Restructuring Event occurs which results in the GU Bonds being downgraded below investment grade. 'Appointment' refers to the Instrument of Appointment dated 1 September 1989 under Section 11 of the Water Act 1989 (now Section 6 of the Water Industry Act, 1991) appointing the Guarantor as a water undertaker and sewerage undertaker for the areas described therein. 'Restructuring Event' refers to either:
  - any material rights, benefits or obligations of Wessex Water Services Limited under the Appointment or any material terms of the Appointment are modified;
  - any legislation is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment and/or the Director General of Water Services.

(h) 1.75% Index Linked Guaranteed Bonds

On 31 July 2006, Wessex Water Services Finance Plc ('Issuer') issued two (2) tranches of GBP75,000,000 nominal value of 1.75% Index Linked Guaranteed Bonds ('ILG Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'). The ILG Bonds were each constituted under a Trust Deed dated 31 July 2006 and are unsecured.

The principal features of the ILG Bonds are as follows:

(i) The ILG Bonds bear interest semi-annually on 31 January and 31 July at an interest rate of 1.75% initially, indexed up by the inflation rate every year. The effective interest rate as at 30 June 2009 is 4.75% (2008: 6.03%).

(ii) Unless previously redeemed, repurchased, cancelled or otherwise satisfied by the Issuer, the ILG Bonds will be redeemed in full by the Issuer on 31 July 2046 for one tranche, and 31 July 2051 for the other tranche, at their indexed value together with all accrued interest on the surrender of the Bonds.

(iii) The Issuer may, at any time, purchase the ILG Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all bondholders alike. All ILG Bonds purchased by the Issuer will forthwith be cancelled.

(iv) The Issuer, by giving the appropriate notice and in accordance with the conditions laid out in the offering circular, may purchase the ILG Bonds if there is a change in tax legislation or if it wishes to do so at a price determined by an agreed formula.

(v) The bondholders may put the ILG Bonds to the Issuer if:

- Wessex Water Services Limited loses its Appointment;
- the Issuer ceases to be a subsidiary of Wessex Water Services Limited; or
- a Restructuring Event occurs which results in the ILG Bonds being downgraded below investment grade. 'Appointment' refers to the Instrument of Appointment dated 1 September 1989 under Section 11 of the Water Act 1989 (now Section 6 of the Water Industry Act, 1991) appointing the Guarantor as a water undertaker and sewerage undertaker for the areas described therein. 'Restructuring Event' refers to either:
  - any material rights, benefits or obligations of Wessex Water Services Limited under the Appointment or any material terms of the Appointment are modified; or
  - any legislation is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment and/or the Director General of Water Services.

The nominal value of ILG Bonds issued of GBP150,000,000 remained outstanding as at 30 June 2009, net of amortised fees and discount. The net proceeds of the ILG Bonds were used to fund the capital investment programme of Wessex Water Services Limited.

(i) 1.369% and 1.374% Index Linked Guaranteed Bonds

On 31 January 2007, Wessex Water Services Finance Plc ('Issuer') issued GBP75,000,000 nominal value of 1.369% Index Linked Guaranteed Bonds and GBP75,000,000 nominal value of 1.374% Index Linked Guaranteed Bonds, both due 2057 ('ILG Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'). The ILG Bonds were each constituted under a Trust Deed dated 31 January 2007 and are unsecured.

The principal features of the ILG Bonds are as follows:

(i) The ILG Bonds bear interest semi-annually on 31 January and 31 July at an interest rate of 1.369% and 1.374% initially, indexed up by the inflation rate every year. The effective interest rate as at 30 June 2009 is 4.37% (2008: 5.65%).

(ii) Unless previously redeemed, repurchased, cancelled or otherwise satisfied by the Issuer, the ILG Bonds will be redeemed in full by the Issuer on 31 July 2057 at their indexed value together with all accrued interest on the surrender of the Bonds.

(iii) The Issuer may, at any time, purchase the ILG Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all bondholders alike. All ILG Bonds purchased by the Issuer will forthwith be cancelled.

(iv) The Issuer, by giving the appropriate notice and in accordance with the conditions laid out in the offering circular, may purchase the ILG Bonds if there is a change in tax legislation or if it wishes to do so at a price determined by an agreed formula.

(v) The bondholders may put the ILG Bonds to the Issuer if:

- Wessex Water Services Limited loses its Appointment;
- the Issuer ceases to be a subsidiary of Wessex Water Services Limited; or
- a Restructuring Event occurs which results in the ILG Bonds being downgraded below investment grade. 'Appointment' refers to the Instrument of Appointment dated 1 September 1989 under Section 11 of the Water Act 1989 (now Section 6 of the Water Industry Act, 1991) appointing the Guarantor as a water undertaker and sewerage undertaker for the areas described therein. 'Restructuring Event' refers to either:
  - any material rights, benefits or obligations of Wessex Water Services Limited under the Appointment or any material terms of the Appointment are modified; or
  - any legislation is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment and/or the Director General of Water Services.

The nominal value of ILG Bonds issued of GBP150,000,000 remained outstanding as at 30 June 2009, net of amortised fees and discount. The net proceeds of the ILG Bonds were used to fund the capital investment programme of Wessex Water Services Limited.

(j) 1.489%, 1.495% and 1.499% Index Linked Guaranteed Bonds

On 28 September 2007, Wessex Water Services Finance Plc ('Issuer') issued GBP 50,000,000 nominal value of 1.489% Index Linked Guaranteed Bonds, GBP50,000,000 nominal value of 1.495% Index Linked Guaranteed Bonds and GBP50,000,000 nominal value of 1.499% Index Linked Guaranteed Bonds, all due 2058 ('ILG Bonds') unconditionally and irrevocably guaranteed by Wessex Water Services Limited ('Guarantor'). The ILG Bonds were each constituted under a Trust Deed dated 28 September 2007 and are unsecured.

The principal features of the ILG Bonds are as follows:

(i) The ILG Bonds bear interest semi-annually on 29 November and 29 May at an interest rate of 1.489%, 1.495% and 1.499% initially, indexed up by the inflation rate every year. The effective interest rate as at 30 June 2009 is 1.46% (2008: 5.26%).

(ii) Unless previously redeemed, repurchased, cancelled or otherwise satisfied by the Issuer, the ILG Bonds will be redeemed in full by the Issuer on 29 November 2058 at their indexed value together with all accrued interest on the surrender of the Bonds.

(iii) The Issuer may, at any time, purchase the ILG Bonds in any manner and at any price. If purchases are made by tender, tenders must be available to all bondholders alike. All ILG Bonds purchased by the Issuer will forthwith be cancelled.

(iv) The Issuer, by giving the appropriate notice and in accordance with the conditions laid out in the offering circular, may purchase the ILG Bonds if there is a change in tax legislation or if it wishes to do so at a price determined by an agreed formula.

(v) The bondholders may put the ILG Bonds to the Issuer if:

- Wessex Water Services Limited loses its Appointment;

- the Issuer ceases to be a subsidiary of Wessex Water Services Limited; or

- a Restructuring Event occurs which results in the ILG Bonds being downgraded below investment grade. 'Appointment' refers to the Instrument of Appointment dated 1 September 1989 under Section 11 of the Water Act 1989 (now Section 6 of the Water Industry Act, 1991) appointing the Guarantor as a water undertaker and sewerage undertaker for the areas described therein. 'Restructuring Event' refers to either:

  – any material rights, benefits or obligations of Wessex Water Services Limited under the Appointment or any material terms of the Appointment are modified; or

  – any legislation is enacted removing, reducing or qualifying the duties or powers of the Secretary of State for the Environment and/or the Director General of Water Services.

The nominal value of ILG Bonds issued of GBP150,000,000 remained outstanding as at 30 June 2009, net of amortised fees and discount. The net proceeds of the ILG Bonds were used to fund the capital investment programme of Wessex Water Services Limited.

(k) 3.00% Redeemable Non Guaranteed Unsecured Bonds

On 18 April 2008, the Company issued RM2,200,000,000 nominal value of five year 3.00% Redeemable Non Guaranteed Unsecured Bonds 2008/2013 ('Bonds') with 1,776,371,304 detachable Warrants. The Bonds were constituted under a Trust Deed dated 10 April 2008. The details of the Warrants are set out in Note 28(b).

The principal features of the Bonds are as follows:

(a) The Bonds are issued at discount (91.87%) of the nominal value.

(b) The Bonds bear interest at 3.0% per annum, payable semi-annually on 18 October and 18 April of each financial year

(c) The Bonds are redeemable on 18 April 2013 ('Maturity Date') at one hundred percent (100%) of its nominal value.

(d) Unless previously redeemed, repurchased, cancelled or otherwise satisfied by the Company, the Bonds will be redeemed in full by the Company on the Maturity Date at one hundred percent (100%) of its nominal value together with all accrued interest.

(l) 3.97% Unsecured Bonds

On 30 September 2003, PowerSeraya Limited issued SGD350,000,000 3.97% Unsecured Bonds ('Bonds') at par for working capital and to fund major capital expenditure. The Bonds mature on 30 September 2010. Interest is payable semi-annually in arrears on the interest payment dates falling on 30 March and 30 September in each year.

The Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of PowerSeraya Limited and shall at all times rank pari passu and rateably without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of PowerSeraya Limited.

32. BORROWINGS

		Group		Company	
	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current					
Term Loans	32 (a)	**598,304**	–	**598,304**	–
Committed bank loans	32 (c)	**386,440**	37,720	**–**	–
Uncommitted bank loans	32 (d)	**31,592**	–	**–**	–
Finance lease	32 (e)	**28,884**	31,348	**–**	–
Bank overdrafts	32 (f), 27	**–**	47,843	**–**	–
Medium Term Notes	32 (g)	**400,000**	1,900,000	**200,000**	1,500,000
Hire purchase liabilities	32 (h)	**–**	155	**–**	71
Commercial papers	32 (i)	**300,000**	–	**300,000**	–
		1,745,220	2,017,066	**1,098,304**	1,500,071
Non-current					
Term loans	32 (a)	**8,449,648**	2,452,805	**–**	553,891
Revolving credit	32 (b)	**72,906**	–	**–**	–
Committed bank loans	32 (c)	**28,650**	34,342	**–**	–
Finance lease	32 (e)	**413,702**	491,851	**–**	–
Medium Term Notes	32 (g)	**2,119,644**	899,553	**1,020,000**	–
		11,084,550	3,878,551	**1,020,000**	553,891
Total		**12,829,770**	5,895,617	**2,118,304**	2,053,962
Term loans	32 (a)	**9,047,952**	2,452,805	**598,304**	553,891
Revolving credit	32 (b)	**72,906**	–	**–**	–
Committed bank loans	32 (c)	**415,090**	72,062	**–**	–
Uncommitted bank loans	32 (d)	**31,592**	–	**–**	–
Finance lease	32 (e)	**442,586**	523,199	**–**	–
Bank overdrafts	32 (f), 27	**–**	47,843	**–**	–
Medium Term Notes	32 (g)	**2,519,644**	2,799,553	**1,220,000**	1,500,000
Hire purchase liabilities	32 (h)	**–**	155	**–**	71
Commercial papers	32 (i)	**300,000**	–	**300,000**	–
		12,829,770	5,895,617	**2,118,304**	2,053,962

All borrowings of the subsidiaries are on a non-recourse basis to the Company save and except for RM668,271,088 (USD189,715,000) (2008: RM618,773,095 (USD 189,430,000)) term loan due on 29 January 2011.

The weighted average effective interest rate of the Group and the Company as at the Balance Sheet date is as follows:

	Group		Company	
	2009	2008	**2009**	2008
	%	%	**%**	%
Weighted average effective interest rate				
Term loans	**2.73**	6.36	**2.18**	4.60
Revolving credit	**1.52**	–	–	–
Committed bank loans	**3.19**	5.01	–	–
Uncommitted bank loans	**1.84**	–	–	–
Finance lease	**5.13**	5.54	–	–
Bank overdrafts	**2.00**	5.45	–	–
Medium Term Notes	**4.62**	3.31	**5.11**	2.60
Commercial Papers	**3.17**	3.57	**3.17**	3.57

The periods in which the borrowings of the Group and the Company attain maturity are as follows:

	Not later than 1 year RM'000	Later than 1 year but not later than 5 years RM'000	Later than 5 years RM'000	Total RM'000
At 30 June 2009				
Term loans	**598,304**	**6,435,890**	**2,013,758**	**9,047,952**
Revolving credit	–	**72,906**	–	**72,906**
Committed bank loans	**386,440**	**28,650**	–	**415,090**
Uncommitted bank loans	**31,592**	–	–	**31,592**
Finance lease	**28,884**	**158,331**	**255,371**	**442,586**
Medium Term Notes	**400,000**	**2,119,644**	–	**2,519,644**
Commercial Papers	**300,000**	–	–	**300,000**
	1,745,220	**8,815,421**	**2,269,129**	**12,829,770**
At 30 June 2008				
Term loans	–	1,801,665	651,140	2,452,805
Committed bank loans	37,720	23,187	11,155	72,062
Finance lease	31,348	156,145	335,706	523,199
Bank overdrafts	47,843	–	–	47,843
Medium Term Notes	1,900,000	300,000	599,553	2,799,553
Hire purchase liabilities	155	–	–	155
	2,017,066	2,280,997	1,597,554	5,895,617

The carrying amounts of borrowings of the Group and the Company at the Balance Sheet date approximated their fair values.

(a) Term loans

(i) Term loans denominated in Great Britain Pounds

GBP175,000,000 Unsecured Term Loan
The term loans of RM1,025,360,000 (GBP175,000,000) (2008: RM1,280,141,240 (GBP196,600,000)) are unsecured loans of Wessex Water Services Limited and are guaranteed by Wessex Water Limited. The loans bear interest rates of LIBOR plus a different variable margin for each of the GBP75,000,000 and GBP100,000,000 loans respectively. GBP21,600,000 was repaid on 15 December 2008.

GBP140,000,000 Unsecured Term Loan
On 15 December 2008 a new term loan of RM820,288,000 (GBP140,000,000) was drawn by Wessex Water Services Limited. The loan is unsecured and is guaranteed by Wessex Water Limited. The loan bears an interest rate of LIBOR plus 0.18%.

(ii) Term loans denominated in US Dollar

USD170,000,000 Unsecured Term Loan
The Company's unsecured term loan of RM598,303,929 (USD169,852,073) (2008: RM553,890,664 (USD169,567,018)) which bears an interest rate of LIBOR plus 0.2650% margin is repayable in full on 29 January 2010.

USD190,000,000 Unsecured Term Loan
Term loan of RM668,271,088 (USD189,715,000) (2008: RM618,773,095 (USD189,430,000)) is unsecured and is guaranteed by the Company. The loan is repayable in full on 29 January 2011. The loan bears an interest rate of LIBOR plus 0.265% margin.

(iii) Term loans denominated in SGD Dollar

SGD2,192,485,570 Secured Term Loan
Term loan of RM5,328,178,433 (SGD2,192,485,570) is secured loan of YTL PowerSeraya Pte. Limited. The borrowings bear interest rate of 2.50% (margin rate) per annum plus swap rate per annum and is repayable in full on 6 March 2012. The borrowings are secured by a charge over the shares and assets of YTL PowerSeraya Pte. Limited.

SGD250,000,000 Unsecured Term Loan
As at 30 June 2007, PowerSeraya Limited had drawn down RM607,550,000 (SGD250,000,000) term loan facility which matures on 28 August 2014. Interest on the term loan is payable semi-annually in arrears on the interest payment dates falling on 28 February and 28 August in each year. The variable rate borrowings are currently repriced every 6 months with reference to the swap offer rate.

(b) Revolving credit

As at 30 June 2009, PowerSeraya Limited had drawn down RM72,906,000 (SGD30,000,000) revolving facility which matures on 28 August 2012. PowerSeraya Limited has the discretion and the intention to roll over the RM72,906,000 (SGD30,000,000) revolving credit facility on the repayment date on 23 July 2009, and accordingly the revolving credit is classified as non-current.

(c) Committed bank loans

Committed bank loans amounted to RM63,537,950 (EUR12,853,552) (2008: RM72,061,410 (EUR13,961,197)). Of this balance RM32,889,981 (EUR6,653,552) (2008: RM38,769,415 (EUR7,511,197)) is guaranteed by Wessex Water Limited and bears an interest rate of EURIBOR plus 0.60% and varies depending on the credit rating of Wessex Water Limited. The remaining balance of RM30,647,969 (EUR6,200,000) (2008: RM33,291,995 (EUR6,450,000)) is a direct obligation of Wessex Water Limited and bears an interest rate of EURIBOR plus 0.50%.

In addition, committed bank loans of RM351,552,000 (GBP60,000,000) were drawn by Wessex Water Service Limited. The loans represent drawings under revolving credit facilities totalling GBP150,000,000 which mature on 3 June 2010. The loans bear an interest rate between LIBOR plus 0.30% and LIBOR plus 0.35%.

(d) Uncommitted bank loans

PowerSeraya Limited drawn down RM31,592,600 (SGD13,000,000) on its short term bank facilities. This short term bank borrowing which is unsecured, at an interest rate of 1.73% per annum will mature on 11 November 2009.

(e) Finance lease

The finance lease as at 30 June 2009 is an unsecured obligation of Wessex Water Services Limited. The principal amount of RM442,586,074 (GBP75,536,946) (2008: RM523,198,966 (GBP80,351,225)) is repayable in instalments until 30 June 2019. The finance lease bears an interest rate of LIBOR minus 0.48% derived from the annual lease rental payable.

	Group	
	2009 RM'000	2008 RM'000
Minimum finance lease payments		
– Not later than 1 year	**50,650**	54,520
– Later than 1 year but not later than 5 years	**229,225**	246,738
– Later than 5 years	**289,623**	392,632
Future finance charges on finance lease	**(126,912)**	(170,691)
Present value of finance lease	**442,586**	523,199

(f) Bank overdrafts

There is no bank overdraft as at 30 June 2009 (2008: RM47,843,397 (GBP7,347,636)). The bank overdrafts are unsecured loans of Wessex Water Services Limited, Wessex Water Limited and SC Technology Nederland B.V. The overdrafts are repayable in full on demand. All the bank overdrafts bear interest of Base Rate plus 1%.

(g) Medium Term Notes ('MTN')

The MTN of the Company were issued pursuant to a Commercial Paper and/or Medium Term Notes issuance programme of up to RM2,000,000,000 ('CP/MTN Programme') constituted by a Trust Deed and CP/MTN Programme Agreement, both dated 24 May 2008.

During the year, the Company repaid and reissued RM1,500,000,000 and RM1,220,000,000 (2008: RM1,500,000,000) of the MTN respectively. The facility bears interest rates ranging from 4.55% per annum to 5.55% (2008: 3.841% per annum to 3.965% per annum).

The nominal value of RM1,300,000,000 unsecured MTN of a subsidiary ranging between one (1) year to eleven (11) years were issued pursuant to a Facility Agreement dated 16 July 2003. Interest is payable semi–annually. The facility bears interest rates ranging from 3.955% per annum to 4.55% per annum (2008: 3.93% per annum to 4.55% per annum).

A principal amount of RM400,000,000 (2008: RM100,000,000) of the subsidiary was repaid during the financial year.

During the financial year, the subsidiary reissued two additional unsecured MTN at a nominal value of RM200,000,000 (2008: RM100,000,000) each for period of 1 year and 2 years which bears an interest rate at 4.23% and 4.43% per annum respectively. Interests are payable semi annually.

(h) Hire purchase liabilities

Hire purchase liabilities were obtained by the Company and one of its subsidiary.

	Group	
	2009 RM'000	2008 RM'000
Minimum hire purchase payments		
– not later than 1 year	–	157
– later than 1 year but not later than 5 years	–	–
	–	157
Future finance charges on hire purchase liabilities	–	(2)
Present value of hire purchase liabilities	–	155

(i) Commercial Papers ('CP')

The Commercial Papers of the Company were issued pursuant to a Commercial Paper and/or Medium Term Notes issuance programme of up to RM2,000,000,000 ('CP/MTN Programme') constituted by a Trust Deed and CP/MTN Programme Agreement, both dated 24 May 2007.

During the year, the Company issued and repaid RM900,000,000 and RM600,000,000 respectively of the CP which bears an interest rates ranging from 2.344% per annum to 3.968% per annum.

33. POST-EMPLOYMENT BENEFIT OBLIGATIONS

	Group	
	2009 RM'000	2008 RM'000
Defined contribution plan – Current		
Malaysia	**455**	441
Defined benefit plan – Non-current		
Overseas		
– United Kingdom	**248,782**	311,762
– Indonesia	**4,363**	3,590
	253,145	315,352

(a) Defined contribution plan

Group companies incorporated in Malaysia contribute to the national defined contribution plan. Once the contributions have been paid, the Group has no further payment obligations.

(b) Defined benefit plan – United Kingdom

The Group operates final salary defined benefit plans for its employees in the United Kingdom, the assets of which are held in separate trustee-administered funds. The latest actuarial valuation of the plan was undertaken at 31 December 2007. This valuation was updated as at 30 June 2009 using revised assumptions.

The movements during the year in the amounts recognised in the Consolidated Balance Sheet are as follows:

	Group	
	2009 RM'000	2008 RM'000
At 1 July	**311,762**	379,791
Pension cost	**70,140**	37,287
Contributions and benefits paid	**(100,844)**	(84,076)
Exchange differences	**(32,276)**	(21,240)
At 30 June	**248,782**	311,762

The amounts recognised in the Consolidated Balance Sheet may be analysed as follows:

	2009 RM'000	2008 RM'000
Present value of funded obligations	**1,902,248**	2,342,016
Fair value of plan assets	**(1,627,100)**	(1,921,514)
Status of funded plan	**275,148**	420,502
Unrecognised actuarial loss	**(26,366)**	(108,740)
Liability in the Balance Sheet	**248,782**	311,762

The pension cost recognised be analysed as follows:

	2009 RM'000	2008 RM'000
Current service cost	**49,857**	46,611
Interest cost	**135,970**	128,515
Expected return on plan assets	**(115,574)**	(143,164)
Past service cost	**(113)**	5,325
Total	**70,140**	37,287
Actual return on plan assets	**(323,874)**	(85,647)

	2009 RM'000	2008 RM'000
The charge to the Income Statement was included in the following line items:		
– cost of sales	**26,312**	27,527
– administrative expenses	**12,464**	12,984
– interest cost/(income)	**20,396**	(14,650)
Total charge to Income Statement	**59,172**	25,861
Capitalised spread across property, plant and equipment	**10,968**	11,426
	70,140	37,287

The principal actuarial assumptions used in respect of the Group's defined benefit plan were as follows:

	2009 %	2008 %
Discount rate	**6.45**	6.70
Expected rate of increase in pension payment	**2.10 – 2.90**	2.50 – 3.90
Expected rate of salary increases	**4.00**	5.40
Price inflation	**3.00**	3.90

(c) Defined benefit plan – Indonesia

Summary of obligations relating to employee benefits due under prevailing law and regulations as well as under the Indonesia subsidiary's regulations are as presented below:

	2009 RM'000	2008 RM'000
Obligation relating to post-employment benefits	**2,883**	2,473
Obligation relating to other long term employee benefits	**1,480**	1,117
Total	**4,363**	3,590

The Group has a defined contribution pension fund program for its permanent national employees. The Group's contribution is 6% of employee basic salary, while the employees' contribution range from 3% to 14%.

The obligation for post-employment and other long term employee benefits were recognised with reference to actuarial report prepared by an independent actuary. The latest actuarial report was dated 30 June 2009.

(i) Post-employment benefits obligation

The obligations relating to post-employment benefits recognised in the Consolidated Balance Sheet are as follows:

	2009 RM'000	2008 RM'000
Present value of obligations	**3,871**	3,057
Unrecognised actuarial loss	**(555)**	(98)
Unrecognised past service cost	**(433)**	(486)
Liability in the Balance Sheet	**2,883**	2,473

The movements during the year in the amounts recognised in the Consolidated Balance Sheet are as follows:

	2009 RM'000	2008 RM'000
At beginning of the year	**2,473**	1,926
Pension cost	**501**	918
Contributions and benefits paid	**(5)**	(196)
Exchange differences	**(86)**	(175)
At the end of the year	**2,883**	2,473

The pension cost recognised be analysed as follows:

	2009 RM'000	2008 RM'000
Current service cost	**385**	501
Interest cost	**389**	325
Past service cost	**(273)**	92
Total	**501**	918

(ii) Other long term employee benefits obligation

The obligations relating to other long term employee benefits (i.e. long leave service benefits) recognised in the Consolidated Balance Sheet are as follows:

	2009 RM'000	2008 RM'000
Present value of obligations	**1,480**	1,117

The movements during the year in the amounts recognised in the Consolidated Balance Sheet are as follows:

	2009 RM'000	2008 RM'000
At beginning of the year	**1,117**	1,136
Pension cost	**431**	155
Contributions and benefits paid	**(29)**	(77)
Exchange differences	**(39)**	(97)
At the end of the year	**1,480**	1,117

The amounts relating to other long term employee benefits obligation recognised in the Consolidated Income Statement are as follows:

	2009 RM'000	2008 RM'000
Current service cost	**147**	55
Interest cost	**284**	100
Total	**431**	155

All of the charges above were included in the cost of revenue.

The principal actuarial assumptions used are as follows:

	2009 %	2008 %
Discount rate	**12.0**	13.5
Expected rate of return on plan assets	**8.0**	8.0
Expected rate of salary increase	**9.0**	9.0

34. DEFERRED INCOME

	Group	
	2009 RM'000	2008 RM'000
At 1 July	**133,917**	147,363
Acquisition of subsidiaries (16(b))	**69,149**	–
Exchange differences	**(12,521)**	(8,535)
Received during the year	**13,088**	1,086
Amortisation	**(5,376)**	(5,997)
At 30 June	**198,257**	133,917

Deferred income represents government grants in foreign subsidiaries in respect of specific qualifying expenditure on non-infrastructure assets and Cogeneration Plant.

35 PAYABLES

	Group	
	2009 RM'000	2008 RM'000
At 1 July	**10,614**	12,308
Acquisition of subsidiaries	**519**	–
Exchange differences	**(1,088)**	(700)
Refunded during the year	**(725)**	(994)
At 30 June	**9,320**	10,614

Payables comprise mainly deposits received from developers of housing development in relation to the provision of water and sewerage infrastructure.

36. PAYABLES AND ACCRUED EXPENSES

	Group		Company	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000
Trade payables	**955,820**	126,353	**–**	–
Duties and taxes payable	**11,702**	15,844	**–**	–
Accrued expenses	**503,362**	620,881	**11,981**	10,018
Receipts in advance	**197,498**	229,234	**39**	7,215
Dividends payable	**219,503**	–	**219,503**	–
Other payables	**147,286**	13,972	**1,153**	5,813
Security deposit	**87,093**	–	**–**	–
	2,122,264	1,006,284	**232,676**	23,046

Credit terms of trade payables granted to the Group range from 30 to 60 days (2008: 30 to 60 days).

37. PROVISION FOR LIABILITIES AND CHARGES

	Group	
	2009 RM'000	2008 RM'000
At 1 July	**20,546**	28,023
Acquisition of subsidiaries (16(b))	**19,198**	–
Exchange differences	**(1,775)**	(1,512)
Charge/(Credited) to Income Statement	**3,034**	(7)
Payment	**(1,885)**	(5,958)
At 30 June	**39,118**	20,546

The provision for liabilities and charges relate to the scaling down of operations of certain subsidiaries of the Group.

38. AMOUNTS OWING TO RELATED COMPANIES

The amounts owing to related companies are unsecured, interest free and have no fixed terms of repayment. The amounts owing to related companies principally relate to operation and maintenance expenses of power plant of a subsidiary and expenses paid on behalf of the Company.

39. COMMITMENTS

	Group	
	2009 RM'000	2008 RM'000
(a) **Capital commitments:-**		
Contracted, but not provided for	**1,895,021**	904,936
Authorised, not contracted for	**380,473**	101,207

The above commitments comprise purchase of spare parts and property, plant and equipment.

(b) **Operating lease arrangements:**

(i) **The Group as lessee**

The future minimum lease payments under non–cancellable operating leases contracted for as at the balance sheet date but not recognised as liabilities are analysed as follows:

	Group
	2009 RM'000
Lease rental on sublease of office space:	
Not later than 1 year	3,403

(ii) **The Group as lessor**

The future minimum lease payments receivable under non–cancellable operating leases contracted for as at the balance sheet date but not recognised as receivables are analysed as follows:

	Group
	2009 RM'000
Not later than 1 year	1,923

40. CONTINGENT LIABILITIES – UNSECURED

A subsidiary has provided performance guarantees on behalf of its subsidiary in respect of tender for contracts. The maximum liability as at 30 June 2009 amounted to RM1,754,843 (2008: RM1,832,380).

There is a joint and several shareholders' contingent support with Siemens Financial Services to invest up to a further equity which amounted to RM41,072,350 (2008: RM38,087,390) in PT Jawa Power, an associated company of the Group.

As at 30 June 2009, the Company has given the following guarantees:

(i) The USD250,000,000 Zero Coupon Guaranteed Exchangeable Bonds due 2010 issued on 9 May 2005 are guaranteed irrevocably by the Company, of which USD184,400,000 is still out-standing.

(ii) A term loan of USD190,000,000 guaranteed by the Company. The loan is repayable in full on 29 January 2011.

(iii) A corporate guarantee of USD43,400,000 to a financial institution for letter of credit facilities utilised by its subsidiary.

41. SEGMENTAL INFORMATION

The Group is organised into three main business segments:

- Investment holding
- Power generation and sale of electricity
- Sales of water and disposal of waste water

(a) **Primary reporting business segments**

	Investment holding RM'000	Power generation and sale of electricity RM'000	Sale of water and disposal of waste water RM'000	Others# RM'000	Group RM'000
Year ended 30 June 2009					
Operating Revenue					
Total operating revenue	495,175	3,280,600	2,588,928	206,337	6,571,040
Inter-segment*	(315,527)	(14,586)	(78,241)	(69,292)	(477,646)
External operating revenue	179,648	3,266,014	2,510,687	137,045	6,093,394
Results					
Segment result (external)	180,254	626,082	1,229,378	3,133	2,038,847
Finance costs					(877,459)
Share of results of associated companies					225,484
Profit from ordinary activities before tax					1,386,872
Tax					(740,279)
Profit from ordinary activities after tax					646,593
At 30 June 2009					
Other information					
Segment assets	6,239,332	14,505,361	13,651,787	292,700	34,689,180
Segment liabilities	322,219	2,053,482	3,192,382	162,699	5,730,782
Unallocated liabilities					22,856,348
Total liabilities					28,587,130
Capital expenditure	–	271,452	980,989	5,911	1,258,352
Depreciation and amortisation	88	200,210	408,322	17	608,637

	Investment holding RM'000	Power generation and sale of electricity RM'000	Sale of water and disposal of waste water RM'000	Group RM'000
Year ended 30 June 2008				
Operating Revenue				
Total operating revenue	891,125	1,164,918	2,867,574	4,923,617
Inter-segment*	(585,750)	(13,657)	(81,692)	(681,099)
External operating revenue	305,375	1,151,261	2,785,882	4,242,518
Results				
Segment result (external)	60,536	482,620	1,428,481	1,971,637
Finance costs				(795,825)
Share of results of associated companies	642	209,247	–	209,889
Profit from ordinary activities before tax				1,385,701
Tax				(346,855)
Profit from ordinary activities after tax				1,038,846
At 30 June 2008				
Other information				
Segment assets	8,657,740	3,172,604	15,996,532	27,826,876
Segment liabilities	28,488	577,887	3,260,558	3,866,933
Unallocated liabilities				17,559,548
Total liabilities				21,426,481
Capital expenditure	–	61,757	1,583,806	1,645,563
Depreciation and amortisation	157	140,239	459,241	599,637

* Inter-segment operating revenue has been eliminated at the respective segment operating revenue. The inter-segment operating revenue was entered into in the normal course of business and at prices available to third parties or at negotiated terms.

\# Segmental information of PetroSeraya Pte Limited and YTL Communications Sdn Bhd with respect to sale of physical fuel oil, oil tank leasing and provision for wire line and wireless broadband access and other segment were not disclosed as they are insignificant.

(b) Secondary reporting format – geographical segments

Although the Group's business segments are managed on a worldwide basis, they operate in three main geographical areas:

- Malaysia – power generation activity
- Singapore – power generation and retail sales activity
- United Kingdom – sale of water and disposal of waste water activities

	Sales		Total assets		Capital expenditure	
	2009 RM'000	2008 RM'000	**2009 RM'000**	2008 RM'000	**2009 RM'000**	2008 RM'000
Malaysia	**1,153,888**	1,200,393	**3,279,352**	6,476,796	**13,005**	61,673
Singapore	**2,269,490**	–	**12,421,495**	–	**264,358**	–
United Kingdom	**2,510,689**	2,785,882	**15,917,149**	15,996,532	**980,989**	1,583,806
Other countries	**159,327**	256,243	**3,071,184**	5,353,548	**–**	84
	6,093,394	4,242,518	**34,689,180**	27,826,876	**1,258,352**	1,645,563

42. FAIR VALUE OF OFF-BALANCE-SHEET FINANCIAL INSTRUMENTS

Fair values of financial derivative instruments are the present value of their future cash flows and are arrived at based on valuations carried out by the Group's bankers. The contract notional principal amounts of the financial derivative instruments and the corresponding fair value adjustments are analysed as follows:

(a) Fuel oil swaps

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.

As at 30 June 2009, the Group's outstanding fuel oil swaps are as follows:

		Notional Amount				
		Maturities				
Type of contract	**Outstanding Quantity In Metric Ton**	**Within 1 year RM'000**	**1 year or more RM'000**	**Total RM'000**	**Fair value RM'000**	**Maturity date**
"Buy" fuel oil swaps	473,400	503,691	52,998	556,689	699,661	31 July 2009 to 30 June 2011
"Sell" fuel oil swaps	75,000	88,874	–	88,874	109,765	31 July 2009 to 30 September 2009

(b) Currency forwards

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.

As at 30 June 2009, the Group's outstanding currency forwards are as follows:

Nature of Forecast transactions	Foreign Currency	Foreign Currency Amount '000	Notional Amount – Maturities: Within 1 year RM'000	Notional Amount – Maturities: 1 year or more RM'000	Notional Amount – Total RM'000	Fair value RM'000	Maturity date
Fuel oil and 'natural gas	Buy USD	129,295	430,467	34,743	465,210	455,322	1 July 2009 to 1 June 2011
Capital Projects	Buy USD	31,489	110,180	80	110,260	110,746	1 July 2009 to 1 July 2010
Capital Projects	Buy EURO	64,795	291,726	21,547	313,273	320,868	1 July 2009 to 2 August 2010
Capital Projects	Buy JPY	250,681	9,741	–	9,741	9,231	1 July 2009 to 4 January 2010
Capital Projects	Buy CHF	53,770	174	–	174	174	17 July 2009

(c) Interest rate swaps

Interest rate swaps are entered to hedge floating semi-annual interest payments on borrowings with final repayment date 27 August 2014. Since the borrowings are obtained specifically for the construction of plant, property and equipment, the interest on these borrowings are capitalised.

The interest rate swap as at 30 June 2009 is as follows:

Interest rate swap	Weighted average rate per annum	Notional amount RM'000	Fair value RM'000	Effective Period
Plain Vanilla	2.89%	607,550	595,571	28 February 2008 to 28 August 2014

43. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 15 October 2009.

Statement by Directors

pursuant to Section 169(15) of the Companies Act, 1965

We, Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE, and Dato' Yeoh Seok Hong, two of the Directors of YTL Power International Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 69 to 148 are drawn up so as to give a true and fair view of the state of affairs of the Group and the Company as at 30 June 2009 and of the results and the cash flows of the Group and the Company for the financial year ended on that date in accordance with Financial Reporting Standards, MASB approved accounting standards in Malaysia for Entities Other than Private Entities and the provisions of the Companies Act, 1965.

Signed on behalf of the Board of Directors in accordance with their resolution dated 15 October 2009.

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping, CBE, FICE
Director

Dato' Yeoh Seok Hong
Director

Statutory Declaration

pursuant to Section 169(16) of the Companies Act, 1965

I, Dato' Yeoh Seok Hong, the Director primarily responsible for the financial management of YTL Power International Berhad, do solemnly and sincerely declare that the financial statements set out on pages 69 to 148 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Dato' Yeoh Seok Hong
Director

Subscribed and solemnly declared by the abovenamed Dato' Yeoh Seok Hong at Kuala Lumpur on 15 October 2009, before me.

Tan Seok Kett
Commissioner for Oaths

Independent Auditors' Report

to the members of YTL Power International Berhad

Report on the Financial Statements

We have audited the financial statements of YTL Power International Berhad, which comprise the Balance Sheets as at 30 June 2009 of the Group and of the Company, and the Income Statements, Statements of Changes in Equity and Cash Flow Statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 69 to 148.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act 1965. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act 1965 so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2009 and of their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 16 to the financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PricewaterhouseCoopers
(No. AF: 1146)
Chartered Accountants

Amrit Kaur
(No. 2482/01/11 (J))
Chartered Accountant

Kuala Lumpur
15 October 2009

Notes

Form of Proxy

I/We *(full name as per NRIC/company name in block capitals)* ______________________________

NRIC/Company No. *(new and old NRIC Nos.)* ______________________________

CDS Account No. *(for nominee companies only)* ______________________________

of *(full address)* ______________________________

____

being a member of **YTL Power International Berhad** hereby appoint *(full name as per NRIC in block capitals)* ______________________________

____

NRIC No. *(new and old NRIC Nos.)* ______________________________

of *(full address)* ______________________________

____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 13th Annual General Meeting of the Company to be held at Starhill 2, Level 4, JW Marriott Hotel Kuala Lumpur, 183, Jalan Bukit Bintang, 55100 Kuala Lumpur on Tuesday, 1 December 2009 at 2.00 p.m. and at any adjournment thereof.

My/Our proxy is to vote as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1.	Receipt of Reports and Audited Financial Statements		
2.	Declaration of Final Dividend		
3.	Re-election of Tan Sri Dato' (Dr) Francis Yeoh Sock Ping		
4.	Re-election of Dato' Yeoh Soo Min		
5.	Re-election of Dato' Yeoh Soo Keng		
6.	Re-election of Tan Sri Datuk Dr. Aris Bin Osman @ Othman		
7.	Re-appointment of Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay		
8.	Re-appointment of Dato' (Dr) Yahya Bin Ismail		
9.	Re-appointment of Mej Jen Dato' Haron Bin Mohd Taib (B)		
10.	Approval of the payment of Directors' fees		
11.	Re-appointment of Messrs. PricewaterhouseCoopers as Company Auditors		
12.	Authorisation for Directors to Allot and Issue Shares		
13.	Proposed Renewal of Share Buy-Back Authority		
14.	Proposed Renewal of Shareholder Mandate and New Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

Dated this ____________ day of ____________________________, 2009.   No. of shares held ________________

____

Signature of shareholder

Notes:

1. A member entitled to attend and vote at the meeting may appoint a proxy to vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member other than an Authorised Nominee shall not be entitled to appoint more than one proxy to attend and vote at the same meeting and where such member appoints more than one proxy to attend and vote at the same meeting, such appointment shall be invalid.
2. This form of proxy and the Power of Attorney or other authority (if any) under which it is signed or notarily certified copy thereof must be lodged at the Registered Office, 11th Floor, Yeoh Tiong Lay Plaza, 55 Jalan Bukit Bintang, 55100 Kuala Lumpur not less than 48 hours before the time appointed for the Meeting.
3. In the case of a corporation, this form of proxy should be executed under its Common Seal or under the hand of some officer of the corporation duly authorised in writing on its behalf.
4. Unless voting instructions are indicated in the spaces provided above, the proxy may vote as he thinks fit.
5. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 60(2) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 23 November 2009. Only a depositor whose name appears on the General Meeting Record of Depositors as at 23 November 2009 shall be entitled to attend the said meeting or appoint proxy to attend and/or vote in his stead.

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The Company Secretary

YTL POWER INTERNATIONAL BERHAD
11th Floor
Yeoh Tiong Lay Plaza
55 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia

fold here

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