



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with MASB 26, Interim Financial Reporting.

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2003.

The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 December 2003 except for the adoption of MASB 32, Property Development Activities. The adoption of MASB 32 has no material impact on this quarter's results under review.

2. Audit Report

The financial statements of the Company for the year ended 31 December 2003 were not subject to any audit qualification.

3. Seasonality And Cyclicity of Operations

The business operations of the Group are not materially affected by any seasonal or cyclical factors during the quarter under review.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter.

5. Changes In Estimates

There were no changes in estimates reported in the prior financial year that have a material effect in the current quarter.



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

NOTES TO THE INTERIM FINANCIAL REPORT

6. Debt And Equity Securities

Save as disclosed below, there were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities for the current period.

- a. At the AGM held on 24 May 2004, the shareholders of the Company approved the proposed share buy-back resolution. During the 2nd quarter ended 30 June 2004, the Company bought back from the open market, 2,000 shares at an average buy-back price of RM3.40. The total consideration paid for the share buy-back including transaction cost, was RM6,851 and was financed by internally generated funds.

During the 4th quarter ended 31 December 2004, the Company bought back from the open market, 1,497,600 shares at an average buy-back price of RM3.09. The total consideration paid for the share buy-back including transaction cost, was RM4,576,813 and was financed by internally generated funds.

The shares bought back are held as treasury shares in accordance with Section 67A of the Companies Act, 1965. None of the treasury shares held were resold or cancelled during the 4th quarter ended 31 December 2004.

- b. A direct subsidiary, Naim Cendera Sdn Bhd capitalized its retained profits of RM79,000,000 for a bonus issue shares of 79,000,000 ordinary shares at RM1.00 each.
- c. An indirect subsidiary, Naim Cendera Dua Sdn Bhd capitalized its retained profits of RM1,200,000 for a bonus issue shares of 1,200,000 ordinary shares at RM1.00 each.

7 Dividends Paid

- | | |
|---|----------------|
| (a) A final dividend of 4.5 sen per share less tax at 28% for the financial year ended 31 December 2003 was paid on 16 June 2004. | 8,100
===== |
| (b) An interim dividend of 5 sen per share less tax at 28% for the financial year ended 31 December 2004 was paid on 2 December 2004. | 8,952
===== |



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

NOTES TO THE INTERIM FINANCIAL REPORT

8. Segmental Reporting

	Segment Revenue		Segment Result	
	12 months ended			
	31 December			
	2004	2003	2004	2003
	RM'000	RM'000	RM'000	RM'000
Property development	198,391	133,430	87,269	40,477
Construction	115,304	125,430	22,032	32,702
Sale of goods/services	61,027	27,331	245	636
	374,722	286,191	109,546	73,815
Inter Segment	(40,889)	(15,240)	-	-
	333,833	270,951	109,546	73,815
Unallocated expenses			(9,062)	(1,329)
Other operating income			4,372	1,232
Operating profit			104,856	73,718
Income from investment			1,462	1,063
Reserve on consolidation recognised			6,231	2,562
Interest expense			(67)	(548)
Share of profit of associate			760	408
Share of profit of jointly controlled entity			293	785
Profit before tax			113,535	77,988
Tax expense			(31,348)	(23,623)
Minority interest			(12,854)	(5,882)
Pre acquisition profit			-	(24,237)
Net profit for the period			69,333	24,246

9. Valuation of Property, Plant And Equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

The Group did not revalue any of its property, plant and equipment.



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

NOTES TO THE INTERIM FINANCIAL REPORT

10. Subsequent Material Events

There is no material event subsequent to the end of the period reported on, that has not been reflected in the financial statements for the said period, made up to the date of this quarterly report.

11. Changes In The Composition Of The Group

There were no changes in the composition of the Group during the current quarter other than the acquisition of the remaining 40% of the equity interest in Naim Citra Sdn Bhd on 5 November 2004 for a total consideration of RM1,805,000, thereby making Naim Citra Sdn Bhd a wholly-owned subsidiary company.

12. Contingent Liabilities

There were no contingent liabilities in respect of the Group that had arisen since 31 December 2003 till the date of this quarterly report.

13. Capital Commitments

	As At 31 December	
	2004 RM'000	2003 RM'000
Authorised and contracted for		
Purchase of Computer Software	-	1,220
Motor Vehicle	-	370
	-	1,590
Authorised but not contracted for		
Investment Property	3,020	3,020
Motor Vehicles	-	2,318
Furniture, Fittings & Equipments	526	795
Plant and Machinery	565	757
	4,111	6,890
	4,111	8,480



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

NOTES TO THE INTERIM FINANCIAL REPORT

14. Significant Related Party Transactions	Note	12 months ended 31 December 2004 RM
TR Concrete Sdn Bhd	(a)	
Sale of cement		(5,370,848)
Transport charges received		(7,503)
Purchase of ready mixed concrete		1,219,241
HWS Properties Sdn Bhd	(b)	
Rental paid		17,034
Primehold Point Sdn Bhd	(c)	
Watchman and cleaning service fees paid		85,875
Azam Seterus Sdn Bhd	(d)	
Sale of development properties		(1,407,776)

Note

- (a) An associate of the Group.
- (b) Company in which William Wei How Sieng and Kueh Hoi Chuang have interests.
- (c) Company in which William Wei How Sieng had interest before his resignation as director of this company on 3 March 2004.
- (d) Company in which William Wei How Sieng has interest.

These transactions have been entered into in the normal course of business and were transacted at arm-length.

15. Comparative figures

Comparative figures for the corresponding period are presented on a pro-forma basis as if Naim Cendera Sdn Bhd (NCSB) and its subsidiaries were part of the Naim Cendera Holdings group from 1 January 2003. In addition, certain comparative figures were reclassified to conform with MASB 32: Property Development Activities.



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

(I) Review of Performance

The Group's revenue and profit after tax and minority interests for the current financial year has increased to RM333.83 million and RM69.33 million respectively, representing, when compared to the corresponding period in 2003, an improvement of 23% in revenue and 43% in profit after tax and minority interests (before pre-acquisition profit).

Contribution to performance to the period was mainly from the Group's core activities of property development (59.4%) and construction (34.5%).

(II) Comparison with Preceding Quarter's Results

The turnover and profit before tax for the current quarter are RM90.55 million and RM32.37 million respectively as compared to RM90.84 million and RM26.21 million respectively for the immediate preceding quarter.

(III) Prospect For 2005

Riding on the robust property sales in 2004 and commencement of two major construction projects late in the same year, prospects for 2005 are very positive. The Company is expected to turn in another good performance in 2005.

Number of units sold in 2004 exceeded that achieved in 2003 by more than 34%. In terms of value, property sales for 2004 amounted to RM217 million compared with RM168 million in 2003, an increase of almost 30%. A substantial portion of this revenue will be recognized in 2005 based on the percentage of completion basis. Meanwhile, property sales for 2005 are expected to be even better as a result of the continuing favourable economic outlook for the country in general and the State of Sarawak in particular. This is supported by attractive financing packages being offered by financial institutions and by the healthy population growth and high rural-urban migration leading to robust demand for residential properties in Sarawak.

As for construction, the commencement in late 2004 of the new Dewan Undangan Negeri Complex in Kuching and the Institute Latihan Perindustrian in Miri will, together with a number of new projects expected to commence in the new year, drive earnings in 2005.

(IV) Profit Guarantee

The Group did not issue any profit guarantee.



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

(V) Tax Expense

	3 months ended		12 months ended	
	31 December			
	2004	2003	2004	2003
	RM'000	RM'000	RM'000	RM'000
Current tax expense – Malaysian	9,118	6,363	30,778	23,263
Deferred taxation - Malaysian	251	352	267	62
Tax expense on share of profit of associate	80	79	221	79
Tax expense on share of profit of jointly controlled entity	18	219	82	219
Total	9,467	7,013	31,348	23,623

(VI) Unquoted Investments And/Or Properties

There was no sale of unquoted investments and/or properties included in the properties, plant and equipment during the current quarter under review.

(VII) Quoted Investments

	3 months ended	12 months ended
	31 December 2004	2004
	RM'000	RM'000
(a) (i) Quoted Shares		
Purchase of quoted securities	-	1
(a) (ii) Unit Trust		
Purchase of unit trust	-	8



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

(b) Investments in quoted shares and unit trust as at 31 December 2004.

	Quoted Shares RM'000	Unit Trust RM'000	Total RM'000
Cost	637	163	800
Carrying Value	324	163	487
Market Value	502	327	829

(VIII) (a) **Status of Corporate Proposals**

There was no corporate proposal announced but not completed at the date of this quarterly report.



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

(b) Status of Utilisation of Proceeds

As at the date of this report, the proceeds raised from the Public Issue pursuant to the listing of the Company on the Main Board of the Bursa Malaysia amounting to RM 60.548 million were utilised as follows:

	As Approved By Securities Commission RM '000	Utilised As At Date of Report RM '000	Unutilised As At Date of Report RM '000
Acquisition of land for property development and property investment	25,000	-	25,000
Purchase of machinery	7,400	-	7,400
Purchase of information technology systems	3,082	1,311	1,771
Repayment of bank borrowings	7,430	6,000	1,430
Listing expenses	4,600	4,523	77
Working capital	13,036	5,000	8,036
	60,548	16,834	43,714
	=====		

(IX) Group Borrowings And Debt Securities

Group borrowings at the end of this quarter were as follows:

	31 December 2004 RM'000
Current	
Secured - Banker's Acceptances	433
Secured - Hire Purchase	189
	623
Non-Current	
Secured - Hire Purchase	190
	812
	=====

All borrowings are denominated in Ringgit Malaysia.



NAIM CENDERA HOLDINGS BHD (585467-M)

QUARTERLY REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2004

ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

(X) Off Balance Sheet Financial Instruments

The Group did not enter into any financial instruments with off balance sheet risk during the quarter.

(XI) Changes In Material Litigations

There were no pending material litigations as at the date of this report.

(XII) Dividend

The Board recommends a final dividend of 7 sen per share less income tax of 28% in respect of the financial year ending 31 December 2004.

(XIII) Earnings Per Share

Basic Earning Per Share

The calculation of the basic earnings per share was based on the Group net profit for the quarter/year divided by the weighted average number of ordinary shares in issue during the quarter.

	3 months ended ____31 December 2004____	12 months ended
Net Profit (RM'000)	18,145 -----	69,333 -----
Weighted average number of ordinary share in issue ('000)	248,769 -----	249,712 -----
Basic earnings per ordinary shares (sen)	7.29 -----	27.77 -----