

BINA PURI HOLDINGS BHD(Company No. 207184-X)
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED BALANCE SHEET – 31 DECEMBER 2004**

	As at financial year ended 31 Dec 2004	As at preceding financial year ended 31 Dec 2003
	RM'000 (Unaudited)	RM'000 (Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	75,355	88,375
Investment in associated companies	2,522	1,916
Other investments	2,131	1,889
Land held for development	20,808	11,019
Expressway development expenditure	14,577	10,982
	115,393	114,181
CURRENT ASSETS		
Land under development	8,518	-
Gross amount due from customers	45,761	38,271
Inventories	7,422	7,612
Trade and other receivables	118,773	124,548
Current tax asset	3,470	2,862
Deposits	13,042	25,754
Cash and bank balances	25,829	44,586
	222,815	243,633
CURRENT LIABILITIES		
Gross amount due to customers	15,506	23,507
Contract income received in advance	6,317	3,919
Trade and other payables	126,298	126,745
Hire purchase and finance lease liabilities	2,982	3,985
Current tax liability	5,063	6,666
Bank borrowings	99,183	111,705
	255,349	276,527
NET CURRENT LIABILITIES	(32,534)	(32,894)
	82,859	81,287
SHARE CAPITAL	80,727	80,000
RESERVES		
Share premium	3,288	3,288
Capital reserve (non-distributable)	15,932	15,932
Merger reserve (non-distributable)	40	40
Accumulated loss	(36,891)	(41,768)
	(17,631)	(22,508)
	63,096	57,492
MINORITY INTERESTS	11,973	12,400
HIRE PURCHASE AND FINANCE LEASE LIABILITIES	1,766	2,360
LONG TERM LOAN	3,490	-
DEFERRED TAX LIABILITY	2,534	3,008
DEFERRED CONTRACT REVENUE	-	6,027
	82,859	81,287
Net tangible assets per share (RM)	0.7816	0.7187

(The condensed consolidated balance sheet should be read in conjunction with the annual financial report for year ended 31 Dec 2003)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2004**

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31 Dec 2004 RM'000	31 Dec 2003 RM'000	31 Dec 2004 RM'000	31 Dec 2003 RM'000
Revenue	124,171	110,075	409,917	431,564
Cost of sales	(115,835)	(99,811)	(370,424)	(384,085)
Gross profit	8,336	10,264	39,493	47,479
Other operating income	4,857	3,129	9,682	6,631
Administrative and general expenses	(10,826)	(10,235)	(39,189)	(36,335)
Profit from operations	2,367	3,158	9,986	17,775
Share of profits less losses of associated companies	(84)	122	281	520
Investment income	(136)	592	(25)	1,068
Finance costs	15	(1,723)	(4,735)	(9,079)
Profit before tax	2,162	2,149	5,507	10,284
Taxation	(244)	(557)	(477)	(6,205)
Profit after tax	1,918	1,592	5,030	4,079
Minority interests	(337)	(311)	(153)	29
Net profit for the period	1,581	1,281	4,877	4,108
EPS – Basic (sen)	1.96	1.68	6.06	7.62
EPS – Diluted (sen)	1.83	N/A	5.75	N/A

(The condensed consolidated income statements should be read in conjunction with the annual financial report for year ended 31 Dec 2003)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2004**

	----Non-distributable----					Total
	Share Capital	Share Premium	Merger Reserve	Capital Reserve	Accumulated Loss	
31 DECEMBER 2004	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 Jan 2004	80,000	3,288	40	15,932	(41,768)	57,492
Net profit for the year					4,877	4,877
Issue of shares from exercise of share options	727					727
Balance at 31 Dec 2004	80,727	3,288	40	15,932	(36,891)	63,096
31 DECEMBER 2003						
Balance at 1 Jan 2003	40,000	4,209	40	15,932	(45,012)	15,169
1-for-1 rights issue	40,000	-	-	-	-	40,000
Share issue expenses	-	(921)	-	-	-	(921)
Net profit for the year	-	-	-	-	4,108	4,108
Dividend paid	-	-	-	-	(864)	(864)
Balance at 31 Dec 2003	80,000	3,288	40	15,932	(41,768)	57,492

(The condensed consolidated statements of changes in equity should be read in conjunction with the annual financial report for year ended 31 Dec 2003)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2004**

	Current year To date 31 Dec 2004 RM'000	Preceding year corresponding year 31 Dec 2003 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	5,507	10,284
<i>Adjustments for:</i>		
Non-cash items	12,418	9,540
Non-operating items	4,348	8,313
Operating profit before changes in working capital	22,273	28,137
Changes in gross amount due from / to customers	(14,722)	21,541
Changes in inventories	190	(3,556)
Changes in receivables	1,588	21,072
Changes in payables	(3,256)	6,790
Cash flows from operating activities	6,073	73,984
Development expenditure	(11,384)	(1,154)
Tax paid	(3,152)	(3,749)
Net cash flows from operating activities	(8,463)	69,081
CASH FLOWS FROM INVESTING ACTIVITIES		
Equity investments	114	(379)
Other investments	9,965	2,247
	10,079	1,868
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(15,151)	(73,875)
Interest paid	(6,312)	(11,834)
Issuance of shares	727	39,079
Dividend paid	-	(864)
Dividend paid to minority interests	(1,641)	-
Advances from associated company	-	101
Repayments of hire purchase and finance lease liabilities	(4,114)	(5,164)
	(26,491)	(52,557)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(24,875)	18,392
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	28,346	9,954
CASH AND CASH EQUIVALENTS AT END OF YEAR	3,471	28,346

(The condensed consolidated cash flow statements should be read in conjunction with the annual financial report for year ended 31 Dec 03)

Bina Puri Holdings Bhd

(Company No. 207184-X)

(Incorporated in Malaysia)

A : Notes to interim financial reports

A1. Accounting policies

These consolidated interim financial statements are prepared in accordance with MASB 26: “Interim Financial Reporting” and Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2003.

The financial statements of the Group have been prepared using the same accounting policies, method of computation and basis of consolidation as those used in the preparation of the most recent annual financial statements.

A2. Audit qualification

The financial statements of the Group for the year ended 31 December 2003 contain audit qualifications, which are summarized as follows:

- (i) The auditors were unable to ascertain the recoverability of trade receivables totaling RM4,384,000 and non-trade receivables totaling RM950,000 included as part of “Receivables, deposits and prepayments” on the consolidated balance sheet.

Of the amount of the receivables qualified by the auditors, the Group has since collected RM496,626 and provided RM4,260,487 as doubtful debts in the consolidated financial statements for the year ended 31 December 2004. Barring unforeseen circumstances, the Directors are of the opinion that the remaining trade receivables are recoverable.

- (ii) The auditors were unable to reasonably estimate the outcome of projects that have been deferred and the recoverability of the costs incurred as follows: -
 - a) The cost incurred on the construction contract totaling RM7,354,000 included as part of “Gross amount due from customers” on the consolidated balance sheet
 - b) The cost incurred on a highway concession totaling RM3,263,000 included as part of “Expressway development expenditure” on the consolidated balance sheet

Of the amount of the cost incurred on the construction contract qualified by the auditors, an amount of RM3.036 million has since been written off in the consolidated financial statements for the financial year ended 31 December 2004. Barring unforeseen circumstances, the Directors are of the opinion that the remaining cost incurred on the construction contract of RM4.318 million and cost incurred on highway concession of RM3.263 million are recoverable after commencement of the projects.

- c) The carrying value totaling RM15,487,000 of a piece of leasehold land alienated by a state government to a subsidiary pursuant to a privatization and development agreement included as part of "Property, plant and equipment" on the consolidated balance sheet

As at 31 December 2004, the carrying value of the above leasehold land has been reduced to RM9,412,820. Barring unforeseen circumstances, the Directors are of the opinion that the carrying value of the leasehold land is recoverable.

A3. Seasonal or cyclical factors

The business operations of the Group are not significantly affected by seasonal or cyclical factors.

A4. Exceptional items

There were no exceptional items for the financial year under review.

A5. Changes in estimates

There was no material changes in estimates of the amounts reported in prior interim period of the current financial period or in prior financial years.

A6. Issuances and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial year except for the issuance of 727,200 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Share Option Scheme.

A7. Dividend paid

No dividend has been paid since the end of the previous financial year.

A8. SEGMENTAL ANALYSIS

(a) Primary reporting format - business segment

The Group's operations comprise the following business segments:

- (i) Construction - contractor of earthworks, building and road construction
- (ii) Property development - property developer
- (iii) Polyol manufacturing - manufacturer of polyol
- (iv) Glassware manufacturing - ceased operations
- (v) Quarry and ready mix concrete - quarry operator and producer of ready mix concrete

31 December 2004	Construction	Property development	Polyol manufacturing	Glassware manufacturing	Quarry and ready mix concrete	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE							
External sales	323,477	4,130	9,620	-	72,690	-	409,917
Inter-segment sales	899	-	1,422	-	17,412	(19,733)	-
	-----	-----	-----	-----	-----	-----	-----
Total revenue	324,376	4,130	11,042	-	90,102	(19,733)	409,917
	=====	=====	=====	=====	=====	=====	=====
RESULTS							
Segment operating profit/(loss)	9,758	505	156	(1,565)	1,113	19	9,986
Investment income							(25)
Finance costs							(4,735)
Share of associated companies' profits							
less losses							281

Profit before taxation							5,507
							=====

31 December 2003	Construction	Property development	Polyol manufacturing	Glassware manufacturing	Quarry and ready mix concrete	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE							
External sales	359,912	2,583	4,963	-	64,106	-	431,564
Inter-segment sales	2	-	-	-	25,386	(25,388)	-
	-----	-----	-----	-----	-----	-----	-----
Total revenue	359,914	2,583	4,963	-	89,492	(25,388)	431,564
	=====	=====	=====	=====	=====	=====	=====
RESULTS							
Segment operating profit/(loss)	19,765	107	(941)	(2,187)	230	801	17,775
Investment income							1,068
Finance costs							(9,079)
Share of associated companies' profits less losses							520

Profit before taxation							10,284
							=====

(b) Secondary reporting – geographical segment

The Company operates mainly in Malaysia.

A9. Valuations of property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. The valuations of property, plant and equipment have been brought forward without any amendments from the previous annual financial statements.

A10. Events subsequent to the end of the period

In the opinion of the directors, there has not arisen in the interval between 1st January 2005 and the date of the announcement any item, transaction or event of a material and unusual nature likely to affect substantially the result of the Group.

A11. Changes in the composition of the Group

During the financial year under review, the Group

- 1) acquired 600 ordinary shares of RM1.00 each representing 60% of the total issued and paid-up share capital in DPBS-BPHB Sdn Bhd for a total consideration of RM600 on 30 July 2004
- 2) acquired 550 ordinary shares of RM1.00 each representing 55% of the total issued and paid-up share capital in Konsortium DPBSH-BPHB-AGSB Sdn Bhd for a total consideration of RM550 on 5 August 2004
- 3) acquired 240,000 ordinary shares of RM1.00 each representing 60% of the total issued and paid-up share capital in Bina Puri Development Sdn Bhd for a total consideration of RM240,000 on 25 August 2004
- 4) invested Baht 538,500 for 5,385 ordinary shares of Baht 100 each representing 49% of the total issued and paid-up shares capital in Bina Puri Holdings (Thailand) Ltd as at 19 March 2004
- 5) invested Baht 4,899,400 for 48,994 ordinary shares of Baht 100 each representing 49% of the total issued and paid-up shares capital in Bina Puri (Thailand) Ltd as at 27 August 2004
- 6) disposed of its wholly-owned subsidiary, KM Road Specialist Sdn Bhd for a cash consideration of RM2.

A12. Changes in contingent liabilities or contingent assets

The changes in contingent liabilities since 31 Dec 2003 were as follows:

	31 Dec 03	Changes	22 Feb 05
	RM'000	RM'000	RM'000
Guarantees given on behalf of associated company's performance bonds	3,346	(3,346)	-
Guarantees given to secure hire purchase credit facility of associated companies	884	(384)	500
Hire purchase facilities utilized by associated companies	270	426	696
Guarantees given in favour of the Government of Malaysia for financial assistance under the Industry Research and Development Grant Scheme to a subsidiary company	53	166	219
Guarantees given for employees' housing loans	39	(3)	36
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	4,592	(3,141)	1,451
	=====	=====	=====

B : Additional notes to Bursa Malaysia Securities Berhad listing requirements

B1. Review of performance of the company and its principal subsidiaries

For the financial year ended 31 December 2004, the Group achieved a revenue of RM409.917 million and profit before tax of RM5.507 million as compared to the previous corresponding year of RM431.564 million and RM10.284 million respectively.

The construction division achieved a revenue of RM324.376 million and profit before tax of RM5.199 million as compared to the previous corresponding year of RM359.914 million and RM13.389 million respectively. The decrease in profit was mainly due to allowance for doubtful debts of RM4.482 million (year ended 31 December 2003 : RM1.854 million) and deferred project expenses written off of RM3.036 million (year ended 31 December 2003 : Nil). The performance of the Group was also affected by the completion of certain projects, i.e. Road upgrading project from Temerloh to Jerantut, Eastern Access to KLIA, widening and rehabilitation of existing road, Tada Nellore in India in 2003 and delay in start-up of certain projects in 2004.

The quarry and ready mix concrete division recorded a revenue of RM90.102 million and profit before tax of RM0.999 million as compared to the previous corresponding year of RM89.492 million and RM0.726 million respectively. The improved performance of this division was mainly due to reactivation of the quarry operation of KM Quarry Sdn Bhd.

The polyol division achieved a revenue of RM11.042 million and profit before tax of RM107,000 as compared to the previous corresponding year of RM4.963 million and loss before tax of RM0.983 million respectively. The performance of this division had improved significantly as compared to the previous corresponding year. The results would be better if not for the increase in its main raw material price.

B2. Material changes in the quarterly results as compared with the immediate preceding quarter

For the 4th quarter under review, the Group recorded a revenue of RM124.171 million as compared to the preceding quarter of RM97.509 million, an increase of 27.3% .

The Group recorded a profit before tax of RM2.162 million for the 4th quarter ended 31 December 2004 as compared to the preceding quarter of RM0.422 million, an increase of 412%. This was mainly due to allowance for doubtful debts of RM2.0 million in 3rd quarter of 2004.

B3. Prospects for the current financial year

The Group will continue to concentrate on and enhance its main core businesses. Despite the tough challenges within the highly competitive industry, the Group has successfully secured several new projects. The current value of contract work in progress is approximately RM450 million, which is expected to provide a steady stream of revenue for the Group over the next few years.

The Group will continue to carry out critical review of its various core businesses to improve operational efficiencies especially in the areas of credit, cost control and cash flow management.

B4. Profit forecast or profit guarantee

- (a) **Variance of actual profit from forecast profit**
Not applicable
- (b) **Shortfall in the profit guarantee**
Not applicable

B5. Taxation

	Individual Quarter 31 Dec 2004 RM'000	Cumulative Quarter 31 Dec 2004 RM'000
Malaysian taxation based on the results for the period		
- Current	1,153	1,622
- Deferred	(301)	(445)
	-----	-----
	852	1,177
Overprovision in prior years	(606)	(708)
	-----	-----
	246	469
Group's share of taxation of associated companies	(2)	8
	-----	-----
	244	477
	-----	-----

The Group's effective taxation rate for the year was lower than the statutory rate mainly due to tax exempt income from foreign country.

B6. Profit on sale of unquoted investments and / or properties

There were no sales of unquoted investments and / or properties during the financial year under review.

B7. Quoted securities

- (a) There were no acquisitions of quoted securities for the financial year ended 31 December 2004
- (b) Total investments in quoted securities as at 31 December 2004 were as follows:

	RM'000
(i) At cost	216.2
(ii) At carrying value / book value	216.2
(iii) At market value	150.04

B8. Status of corporate proposals

There were no pending corporate proposals.

B9. Group borrowings and debt securities

The group borrowings as at 31 December 2004 are as follows:

	Total outstanding	Repayable within next 12 months	Repayable after next 12 months
	RM'000	RM'000	RM'000
(a) Long term loan			
- Secured	4,701	1,211	3,490
- Unsecured	-	-	-
	-----	-----	-----
Total	4,701	1,211	3,490
	-----	-----	-----
(b) Short term loan			
- Secured	28,017	28,017	-
- Unsecured	69,955	69,955	-
	-----	-----	-----
Total	97,972	97,972	-
	-----	-----	-----
(c) Total borrowings	102,673	99,183	3,490
	=====	=====	=====

All of the above borrowings are denominated in Ringgit Malaysia.

B10. Off balance sheet financial instruments

There were no material financial instruments with off balance sheet risk during the current financial year ended 31 December 2004.

B11. Changes in material litigation

The Group is involved in the following litigations:

- (1) A writ action was filed against the Company in the Shah Alam High Court by Kimpoint Sdn Bhd ("Kimpoint") for a sum of RM8,773,437.50 purportedly owed under a contract. The Company has in turn filed a counter claim against Kimpoint for the return of a sum of RM1,226,562.50. Kimpoint has filed an appeal to the Judge in Chambers against the refusal of the Registrar to order summary judgement in favour of Kimpoint. On 30 September 2004, the Judge in Chambers dismissed Kimpoint's appeal. Pending date for trial to be fixed. At this juncture the Company's solicitors are unable to provide an opinion as to the outcome of this suit with certainty.

- (2) On 10 July 2002, a subsidiary company, namely, Bina Puri Construction Sdn Bhd (“BPCSB”) filed its defence against a suit initiated by Sribuan Jaya Sdn Bhd (“Sribuan”) in the High Court for work done in respect of the construction of a school building. Sribuan’s suit based on fraud, misrepresentation and breach of duty of care or undertaking to pay Sribuan. Their claim is for the sum of RM775,961.17 and general damages to be assessed by the Court. On 19th. April, 2004 a pre-trial case management was held and the trial date fixed on 30th. August, 2006. The directors are advised that BPCSB has a fairly good chance of defending this suit.
- (3) On 27 October 2000, an originating summons was filed in the Kuala Lumpur High Court by a subsidiary company, namely, Bina Puri Sdn Bhd (“BPSB”) against EP Engineering Sdn Bhd (“EP”) and Kris Heavy Engineering & Construction Sdn Bhd (“Kris Heavy”) seeking an injunction/declaration that BPSB is not a party to arbitration proceedings commenced by EP against BPSB and Kris Heavy. The arbitration proceeding by EP is for the sum of RM17,002,760, general damages, interest and cost against BPSB and Kris Heavy.

On 9 December 2003, the court dismissed BPSB’s application for the declaration with cost. Hearing date for the arbitration proceedings has been fixed by Court on 21st. February, 2005 to 4th. March, 2005 and 21st. March, 2005 to 25th. March, 2005. The directors are advised that BPSB has an even chance of success.

- (4) On 26 February 1999, a subsidiary company, namely BPSB, together with a third party, namely, DPBS Holdings Sdn Bhd (collectively "the Plaintiffs") filed a writ of summons in the High Court against KKIP Sdn Bhd (“KKIP”) for the payment of a sum of RM514,407.02 under a progress claim for work done. The Plaintiffs, meanwhile, stopped work due to non-payment. KKIP has in turn counter-claimed against the Plaintiffs for wrongful termination and loss and damages for defective work of an unspecified sum. Trial date fixed by the court on 10th. December, 2007. The directors are advised that the Plaintiffs have a fair chance of success in the suit.
- (5) Selesa Timur Sdn Bhd (“Plaintiff”) brought an action against BPCSB for the sum of RM351,147.66 for non payment of contract claims. BPCSB has in turn filed a counter claim of RM94,569 against the Plaintiff and had served further and better particulars to the Plaintiff. Plaintiff’s application to strike out BPCSB’s further and better particulars was heard on 27th May 2004. At the hearing on the judge in chambers allowed the Plaintiff’s application and ordered for BPCSB to serve on the Plaintiff a second further and better particulars by 26th June 2004. Therefore, the Judgement in default of Plaintiff’s defence obtained and filed by BPCSB was rendered nugatory. The second further and better particulars have been filed in court.

On 10th. June, 2004, the Plaintiff’s application to set aside BPCSB’s Judgement in Default of defence was fixed. The hearing did not take place on that day as there was an order to serve on the Plaintiff a Second Further and better particulars the hearing has been adjourned indefinitely. On 7th October 2004, the Judge in chambers ordered for the Plaintiff to provide written submission on their application to set aside our Judgement in default of defence for which the decision was fixed on 9th. November, 2004. At the hearing, the Judge in Chambers allowed the Plaintiff’s application to set aside BPCSB’s Judgement in default of defence and BPCSB is ordered to provide written submission within 14 days. Pending service of notice to attend pre-trial case management. At this juncture, BPCSB’s solicitors are unable to provide an opinion as to the outcome of this suit with certainty.

Save for the above, there was no material litigation that might adversely and materially affect the position of the Group.

B12. Dividend

No dividend has been declared for this financial quarter.

B13. Earnings per share

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31 Dec 2004	31 Dec 2003	31 Dec 2004	31 Dec 2003
<i>a Basic earnings per share</i>				
Net profit for the year (RM'000)	1,581	1,281	4,877	4,108
Weighted average number of ordinary shares in issue ('000)	80,698	76,301	80,432	53,882
Basic earnings per share (sen)	1.96	1.68	6.06	7.62
<i>b Diluted earnings per share</i>				
Net profit for the year (RM'000)	1,581	N/A	4,877	N/A
Weighted average number of ordinary shares in issue ('000)	80,698	N/A	80,432	N/A
Adjustment for share option ('000)	5,689	N/A	4,387	N/A
Weighted average number of ordinary shares for diluted earnings per share ('000)	86,387	N/A	84,819	N/A
Diluted earnings per share (sen)	1.83	N/A	5.75	N/A

By Order of the Board

Toh Gaik Bee
Group Company Secretary

28th February 2005