

BINA PURI HOLDINGS BHD

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

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR PERIOD ENDED 31 MARCH 2008**

| | Current Year Quarter 31 Mar 2008 RM'000 | Preceding Year Corresponding Period 31 Mar 2007 RM'000 |
|---|--|--|
| Revenue | 150,595 | 104,746 |
| Cost of sales | <u>(141,298)</u> | <u>(96,602)</u> |
| Gross profit | 9,297 | 8,144 |
| Other operating income | 827 | 1,676 |
| Administrative and general expenses | <u>(8,000)</u> | <u>(6,929)</u> |
| Profit from operations | 2,124 | 2,891 |
| Investment income | 29 | 23 |
| Share of results of -associates | 653 | 300 |
| -jointly controlled entity | 258 | - |
| Finance costs | <u>(1,287)</u> | <u>(1,412)</u> |
| Profit before tax | 1,777 | 1,802 |
| Taxation | <u>(142)</u> | <u>(279)</u> |
| Profit for the period | <u>1,635</u> | <u>1,523</u> |
| Profit for the period attributable to: | | |
| Shareholders of the Company | 1,199 | 1,358 |
| Minority interests | <u>436</u> | <u>165</u> |
| | <u>1,635</u> | <u>1,523</u> |
| Earnings per share attributable to equity holders of the parent: | | |
| EPS – Basic (sen) | <u>1.45</u> | <u>1.68</u> |
| EPS – Diluted (sen) | <u>-</u> | <u>-</u> |

(The condensed consolidated income statements should be read in conjunction with the annual financial report for YE 31 Dec 2007)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEETS – 31 MARCH 2008

| | As at financial period ended 31 March 2008 | As at preceding financial year ended 31 Dec 2007 |
|--|---|--|
| | RM'000 (Unaudited) | RM'000 (Audited) |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 58,264 | 58,544 |
| Prepaid lease payments | 2,007 | 2,034 |
| Investment property | 1,135 | 1,135 |
| Investments in associates | 4,581 | 4,157 |
| Investment in jointly controlled entity | 1,087 | 857 |
| Other investments | 7,270 | 7,381 |
| Land held for property development | 13,257 | 10,257 |
| Expressway development expenditure | 14,334 | 14,309 |
| Deferred tax asset | 775 | 853 |
| | 102,710 | 99,527 |
| CURRENT ASSETS | | |
| Inventories | 4,957 | 5,123 |
| Property development costs | 3,500 | 15,967 |
| Gross amount due from customers | 59,964 | 94,265 |
| Trade and other receivables | 259,042 | 248,663 |
| Tax recoverable | 3,457 | 3,071 |
| Fixed and time deposits | 14,827 | 18,486 |
| Cash and bank balances | 15,665 | 14,941 |
| | 361,412 | 400,516 |
| TOTAL ASSETS | 464,122 | 500,043 |
| EQUITY | | |
| Share capital | 82,669 | 82,666 |
| Share premium (non-distributable) | 3,288 | 3,288 |
| Capital reserve (non-distributable) | 15,682 | 15,682 |
| Merger reserve (non-distributable) | 40 | 40 |
| Foreign currency translation reserve | (264) | - |
| Accumulated loss | (26,711) | (27,910) |
| Equity attributable to shareholders of the Company | 74,704 | 73,766 |
| MINORITY INTERESTS | 11,906 | 11,470 |
| TOTAL EQUITY | 86,610 | 85,236 |
| NON-CURRENT LIABILITIES | | |
| Hire purchase and finance lease liabilities | 6,367 | 6,445 |
| Bank term loans | 5,521 | 2,747 |
| Government grant | 87 | 90 |
| Deferred tax liabilities | 559 | 652 |
| | 12,534 | 9,934 |
| CURRENT LIABILITIES | | |
| Gross amount due to customers | 618 | 260 |
| Trade and other payables | 194,683 | 219,992 |
| Hire purchase liabilities | 3,217 | 3,156 |
| Tax payable | 319 | 288 |
| Bank borrowings | 166,141 | 181,177 |
| | 364,978 | 404,873 |
| TOTAL LIABILITIES | 377,512 | 414,807 |
| TOTAL EQUITY AND LIABILITIES | 464,122 | 500,043 |

Net assets per share attributable to shareholders of the Company (RM)

0.9037

0.8923

(The condensed consolidated balance sheet should be read in conjunction with the annual financial report for year ended 31 Dec 2007)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2008**

| | Non-distributable | | | | | | | Total |
|-------------------------------------|-------------------|------------------|-------------------|--------------------|---------------------|--|-----------------------|--------|
| | Share Capital | Share Premium | Merger Reserve | Capital Reserve | Accumulated Loss | Foreign Currency Exchange Reserve | Minority Interests | Total |
| RM'000 | | | | | | | | |
| 31 March 2008 | | | | | | | | |
| At 1 January 2008 | 82,666 | 3,288 | 40 | 15,682 | (27,910) | | 11,470 | 85,236 |
| Net profit for the period | | | | | 1,199 | | 436 | 1,635 |
| Translation differences | | | | | | (264) | | (264) |
| Issue of shares | 3 | | | | | | | 3 |
| Balance at 31 March 2008 | 82,669 | 3,288 | 40 | 15,682 | (26,711) | (264) | 11,906 | 86,610 |
| 31 March 2007 | | | | | | | | |
| At 1 January 2007 | 80,925 | 3,288 | 40 | 15,682 | (31,951) | | 10,664 | 78,648 |
| Net profit for the period | | | | | 1,358 | | 165 | 1,523 |
| Dividend paid to minority interests | | | | | | | (70) | (70) |
| Balance at 31 March 2007 | 80,925 | 3,288 | 40 | 15,682 | (30,593) | - | 10,759 | 80,101 |

(The condensed consolidated statements of changes in equity should be read in conjunction with the annual financial report for year ended 31 Dec 2006)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENED 31 MARCH 2008**

| | Current year To date 31 Mar 2008 RM'000 | Preceding year corresponding period 31 Mar 2007 RM'000 |
|---|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net profit before tax | 1,777 | 1,802 |
| <i>Adjustments for:</i> | | |
| Non-cash items | 831 | 1,410 |
| Non-operating items | 2,767 | 2,427 |
| Operating profit before changes in working capital | 5,375 | 5,639 |
| Changes in inventories | 166 | 385 |
| Changes in property development | 9,466 | 735 |
| Changes in receivables | 26,468 | (22,316) |
| Changes in payables | (25,014) | (14,215) |
| Cash generated/(utilized) in operating activities | 16,461 | (29,772) |
| Expressway development expenditure | (25) | (137) |
| Interest paid | (2,661) | (2,630) |
| Tax paid | (513) | 933 |
| Net cash flows from operating activities | 13,262 | (31,606) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Equity investments | 117 | - |
| Other investments | 583 | (512) |
| | 700 | (512) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| (Repayment) / Drawdown of bank borrowings, net | (2,568) | 29,851 |
| Payment of hire purchase instalments | (837) | (658) |
| Hire purchase term charges paid | (144) | (271) |
| Dividend paid to minority interests | - | (70) |
| Proceeds from issue of shares | 3 | - |
| | (3,546) | 28,852 |
| NET CHANGES IN CASH AND CASH EQUIVALENTS | 10,416 | (3,266) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | (8,915) | (2,686) |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 1,501 | (5,952) |
| <i>Represented by:</i> | | |
| TIME DEPOSITS | 92 | - |
| CASH AND BANK BALANCES | 15,665 | 18,111 |
| BANK OVERDRAFTS | (14,256) | (24,063) |
| | 1,501 | (5,952) |

(The condensed consolidated cash flow statements should be read in conjunction with the annual financial report for year ended 31 Dec 07)

PART A : Explanatory notes pursuant to FRS 134

A1. Basis of preparation

The consolidated interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard (“FRS”) 134: “Interim Financial Reporting” and Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2007.

A2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for year ended 31 December 2007 except for the adoption of the following revised FRS effective for the financial period beginning 1 January 2008:

| | |
|---------|---|
| FRS 107 | Cash Flow Statements |
| FRS 111 | Construction Contracts |
| FRS 112 | Income Taxes |
| FRS 118 | Revenue |
| FRS 134 | Interim Financial Reporting |
| FRS 137 | Provision, Contingent Liabilities and Contingent Assets |

The adoption of the abovementioned FRSs does not have any significant financial impact on the financial statements of the Group.

The Group has not opted for early adoption of FRS 139 Financial Instruments : Recognition and Measurement, which has been deferred to an effective date yet to be announced.

A3. Audit qualification

The financial statements of the Group for the year ended 31 December 2007 were not subject to any audit qualification.

A4. Seasonal or cyclical factors

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

A5. Exceptional items

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

A6. Changes in estimates

There were no material changes in estimates reported in prior financial years.

A7. 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 period except for the issuance of 3,000 new ordinary shares of RM1 each, pursuant to the exercise of the Employees’ Share Option Scheme.

A8. SEGMENTAL ANALYSIS

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) Quarry and ready mix concrete - quarry operator and producer of ready mix concrete

| 31 March 2008 | Construction | Property development | Polyol manufacturing | Quarry and ready mix concrete | Others | Elimination | Consolidated |
|------------------------------------|--------------|-------------------------|-------------------------|-------------------------------------|--------|-------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| REVENUE | | | | | | | |
| External sales | 104,843 | 21,206 | 4,286 | 20,260 | - | - | 150,595 |
| Inter-segment sales | 115 | - | - | 6,570 | - | (6,685) | - |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Total revenue | 104,958 | 21,206 | 4,286 | 26,830 | - | (6,685) | 150,595 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| RESULTS | | | | | | | |
| Segment operating profit/(loss) | 896 | 389 | 309 | 532 | 18 | (20) | 2,124 |
| Investment income | 29 | - | - | - | - | - | 29 |
| Finance costs | (1,096) | - | (36) | (155) | - | - | (1,287) |
| Share of results of -associates | 63 | - | - | 590 | - | - | 653 |
| -jointly controlled entity | 258 | - | - | - | - | - | 258 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Profit before taxation | 150 | 389 | 273 | 967 | 18 | (20) | 1,777 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

| 31 March 2007 | Construction | Property development | Polyol manufacturing | Quarry and ready mix concrete | Others | Elimination | Consolidated |
|---|--------------|-------------------------|-------------------------|-------------------------------------|--------|-------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| REVENUE | | | | | | | |
| External sales | 74,244 | 6,831 | 4,716 | 18,955 | - | - | 104,746 |
| Inter-segment sales | 90 | - | - | - | - | (90) | - |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Total revenue | 74,334 | 6,831 | 4,716 | 18,955 | - | (90) | 104,746 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| RESULTS | | | | | | | |
| Segment operating profit/(loss) | 1,661 | 439 | 155 | 534 | 107 | (5) | 2,891 |
| Investment income | 23 | - | - | - | - | - | 23 |
| Finance costs | (1,260) | - | (30) | (122) | - | - | (1,412) |
| Share of associated companies' profits less losses | 236 | - | - | 64 | - | - | 300 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Profit before taxation | 660 | 439 | 125 | 476 | 107 | (5) | 1,802 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

A9. Dividend paid

No dividend has been paid during the financial period under review.

A10. 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.

A11. Events subsequent to the end of the period

In the opinion of the directors, there has not arisen in the interval between 1 April 2008 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.

A12. Changes in the composition of the Group

There were no material changes in the composition of the Group during the period under review.

A13. Changes in contingent liabilities or contingent assets

The changes in contingent liabilities since 31 December 2007 were as follows:

| | 31 Dec 07 RM'000 | Changes RM'000 | 21 May 08 RM'000 |
|---|--------------------------|-----------------------|--------------------------|
| Guarantees given for performance bonds granted to an associated company | 27,612 | 378 | 27,990 |
| Guarantees given in favour of financial institutions for credit facilities granted to an associated company | 74 | (4) | 70 |
| Guarantees given to secure hire purchase liabilities of a former associate | 72 | (42) | 30 |
| | ----- 27,758 ===== | ----- 332 ===== | ----- 28,090 ===== |

B : Additional notes to Bursa Malaysia Securities Berhad listing requirements**B1. Review of performance of the company and its principal subsidiaries**

For the 1st quarter ended 31 March 2008, the Group achieved a revenue of RM150.6 million and profit before tax of RM1.8 million as compared to the previous corresponding period of RM104.7 million and RM1.8 million respectively

The construction division recorded a revenue of RM105.0 million and profit before tax of RM150,000 as compared to the previous corresponding period of RM74.3 million and RM660,000 respectively. The performance of the division was affected by the increase in building material costs such as steel bar, diesel and cement. The Group would be negotiating with its clients to mitigate the impact of such increase in building material costs.

B1. Review of performance of the company and its principal subsidiaries (cont'd)

The property division recorded a revenue of RM21.2 million and profit before tax of RM389,000 as compared to the previous corresponding period of RM6.8 million and RM439,000 respectively. The performance of this division remains satisfactory.

The quarry and ready mix concrete division achieved a revenue of RM26.8 million which was 41% higher compared to RM19.0 million in the corresponding period last year. The profit before tax was RM967,000 as compared to RM476,000 in the same period last year. The improved performance of the associated company had contributed positively to results of this division.

The polyol division achieved a revenue of RM4.3 million and profit before tax of RM273,000 as compared to the previous corresponding period of RM4.7 million and RM125,000 respectively. The higher profit margin had contributed to the improved results of this division.

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

During the quarter under review, the Group achieved a revenue of RM150.6 million as compared to the immediate preceding quarter of RM190.4 million.

The Group's recorded a profit before tax of RM1.8 million for the 1st quarter ended 31 March 2008 as compared to the preceding quarter of RM1.9 million.

The performance for the 1st quarter 2008 was affected by lower billings during the festive seasons in the beginning of the year.

B3. Prospects

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 locally and overseas in Thailand, U.A.E., Pakistan and Brunei. We are looking forward to securing more overseas contracts in Vietnam and Middle East. The current value of contract work in progress is approximately RM2 billion, which is expected to provide a steady stream of revenue for the Group over the next three 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

| | Current Year 31 March 2008 RM'000 | Preceding Year 31 March 2007 RM'000 |
|--|---|---|
| Taxation based on the results for the period | | |
| - Current | 156 | 213 |
| - Deferred | (14) | 66 |
| | ----- | ----- |
| | 142 | 279 |
| | ----- | ----- |

The Group's effective taxation rate for the period was lower than the statutory rate mainly because of the tax-exempt income from foreign country.

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

There were no sales of unquoted investments and properties during the financial period under review.

B7. Quoted securities

(a) There were no purchases or disposals of quoted securities for the financial period under review.

(b) Total investments in quoted securities as at 31 March 2008 were as follows:

| | RM'000 |
|-------------------------------------|--------|
| (i) At cost | - |
| (ii) At carrying value / book value | - |
| (iii) At market value | - |

B8. Status of corporate proposals

There were no pending corporate proposals.

B9. Group borrowings and debt securities

The group borrowings as at 31 March 2008 are as follows:

| | <-----31 March 2008-----> | | | 31 Dec 2007 |
|------------------------------------|---------------------------------------|--------------------------------------|----------------------|----------------------|
| | Repayable within next 12 months | Repayable after next 12 months | Total outstanding | Total outstanding |
| RM'000 | | | | |
| (a) Long term loans (secured) | 1,934 | 4,000 | 5,934 | 1,524 |
| (b) Short term loans | | | | |
| - Secured | 13,670 | - | 13,670 | 12,565 |
| - Unsecured | 64,194 | 116 | 64,310 | 74,937 |
| | 77,864 | 116 | 77,980 | 87,502 |
| (c) Project financing (secured) | 86,343 | 1,405 | 87,748 | 94,898 |
| Sub-total | 164,207 | 1,521 | 165,728 | 182,400 |
| Total borrowings | 166,141 | 5,521 | 171,662 | 183,924 |

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 as at date of this report.

B11. Changes in material litigation

The Group is involved in the following litigations:

- (i) 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 applied to amend their Statement of Claim to which the Company objected. On 18 December 2006, the court dismissed with costs Kimpoint's application to amend the Statement of Claim and on 20 December 2006, Kimpoint filed notice of appeal. The appeal is fixed on 10 July 2008. At this juncture, the Company's directors have been advised that there is an even chance of defending the matter.
- (ii) 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.

B11. Changes in material litigation (cont'd)

On 28 February 2005, the arbitration proceedings were proceeded upon by EP for the sum of RM17,002,760, general damages, interest and cost against BPSB and Kris Heavy and the continued proceedings were scheduled from 12 November to 23 November 2007 and 10 December to 14 December 2007. On the appeal for a declaration that BPSB is not a party to the arbitration, the Court of Appeal has directed that BPSB is to file the submission on or before 5 November 2007 for which BPSB had put in the necessary submission and hearing was fixed on 4 December 2007. On 4 December 2007, the Court of Appeal disallowed the Application to Adduce Further Evidence on the Re-Amended Points of Claim. The Court of Appeal also dismissed BPSB's appeal on the issue of jurisdiction. BPSB had filed the Leave of Appeal to the Federal Court against the Court of Appeal's decisions. The directors have been advised that BPSB has an even chance of success.

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

B12. Dividend

On 26 February 2008, the Board of Directors recommended a final dividend of 4% less 26% tax per share in respect of the financial year ended 31 December 2007 for the shareholders' approval in the forthcoming AGM. These financial statements do not reflect this final dividend which will be accounted for in the shareholders' equity as an appropriation of unappropriated profit in the financial year in which the dividend is paid. The entitlement date and payment date for the proposed final dividend will be on 1 August 2008 and 18 August 2008 respectively.

The Board of Directors does not recommend any interim dividend for the current quarter ended 31 March 2008 (1st quarter 2007 : Nil).

B13. Earnings per share

| | Current Year To Date 31 March 2008 | Preceding Year Corresponding Period 31 March 2007 |
|--|--|--|
| a Basic earnings per share | | |
| Net profit for the period (RM'000) | 1,199 | 1,358 |
| Weighted average number of ordinary shares in issue ('000) | 82,666 | 80,925 |
| Basic earnings per share (sen) | 1.45 | 1.68 |

b Diluted earnings per share

The diluted earnings per share for the current financial period is not disclosed as the potential ordinary shares arising from the exercise of options under the ESOS at fair value, has anti-dilutive effect.

By Order of the Board

Toh Gaik Bee
Senior Group Company Secretary
28 May 2008