

BINA PURI HOLDINGS BHD

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

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR PERIOD ENDED 30 JUNE 2008**

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30 June 2008 RM ϕ 000	30 June 2007 RM ϕ 000	30 June 2008 RM ϕ 000	30 June 2007 RM ϕ 000
Revenue	179,341	160,915	329,936	265,661
Cost of sales	(167,093)	(151,863)	(308,391)	(248,465)
Gross profit	12,248	9,052	21,545	17,196
Other operating income	1,298	596	2,125	2,272
Administrative and general expenses	(8,570)	(7,706)	(16,570)	(14,635)
Profit from operations	4,976	1,942	7,100	4,833
Share of results of:				
- associates	89	1,153	742	1,453
- jointly controlled entity	(907)	-	(649)	-
Investment income	93	511	122	534
Finance costs	(1,201)	(1,349)	(2,488)	(2,761)
Profit before tax	3,050	2,257	4,827	4,059
Taxation	(908)	(124)	(1,050)	(403)
Profit for the period	2,142	2,133	3,777	3,656
Profit for the period attributable to:				
Equity holders of the parent	1,849	1,645	3,048	3,003
Minority interests	293	488	729	653
	2,142	2,133	3,777	3,656
Earnings per share attributable to equity holders of the parent:				
EPS ϕ Basic (sen)	2.24	2.03	3.69	3.70
EPS ϕ Diluted (sen)	-	-	-	-

(The condensed consolidated income statements should be read in conjunction with the annual financial report for YE 31 Dec 2006)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEETS – 30 JUNE 2008

	As at financial period ended 30 June 2008	As at preceding financial year ended 31 Dec 2007
	RMø000 (Unaudited)	RMø000 (Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	57,218	58,544
Prepaid lease payments	1,980	2,034
Investment property	1,135	1,135
Investments in associates	6,653	4,157
Investment in jointly controlled entity	177	857
Other investments	7,270	7,381
Land held for property development	13,257	10,257
Expressway development expenditure	-	14,309
Deferred tax asset	740	853
	88,430	99,527
CURRENT ASSETS		
Inventories	5,051	5,123
Property development costs	2,501	15,967
Gross amount due from customers	62,164	94,265
Trade and other receivables	259,698	248,663
Tax recoverable	3,457	3,071
Fixed and time deposits	13,001	18,486
Cash and bank balances	10,306	14,941
	356,178	400,516
TOTAL ASSETS	444,608	500,043
EQUITY		
Share capital	82,830	82,666
Share premium (non-distributable)	3,288	3,288
Capital reserve (non-distributable)	15,722	15,682
Merger reserve (non-distributable)	-	40
Foreign currency translation reserve	(406)	-
Accumulated loss	(24,862)	(27,910)
Equity attributable to shareholders of the Company	76,572	73,766
MINORITY INTERESTS		
	10,523	11,470
TOTAL EQUITY	87,095	85,236
NON-CURRENT LIABILITIES		
Hire purchase and finance lease liabilities	6,014	6,445
Bank term loans	5,067	2,747
Government grant	85	90
Deferred tax liabilities	242	652
	11,408	9,934
CURRENT LIABILITIES		
Gross amount due to customers	2,671	260
Trade and other payables	184,869	219,992
Hire purchase liabilities	3,017	3,156
Tax payable	636	288
Bank borrowings	154,912	181,177
	346,105	404,873
TOTAL LIABILITIES	357,513	414,807
TOTAL EQUITY AND LIABILITIES	444,608	500,043
Net assets per share attributable to shareholders of the Company (RM)		
	0.9244	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 30 JUNE 2008**

	-----Non-distributable-----							Total
	Share Capital	Share Premium	Merger Reserve	Capital Reserve	Accumulated Loss	Foreign Currency Exchange Reserve	Minority Interests	
RM000								
30 June 2008								
At 1 January 2008	82,666	3,288	40	15,682	(27,910)		11,470	85,236
Transfer from merger reserve			(40)	40				-
Net profit for the period					3,048		729	3,777
Translation differences						(406)		(406)
Disposal of shares in a subsidiary							(1,676)	(1,676)
Issue of shares	164							164
Balance at 30 June 2008	82,830	3,288	-	15,722	(24,862)	(406)	10,523	87,095
30 June 2007								
At 1 January 2007	80,925	3,288	40	15,682	(31,951)		10,664	78,648
Issue of shares	268							268
Acquisition of additional shares in a subsidiary from minority interests							(27)	(27)
Net profit for the period					3,003		653	3,656
Dividends paid								
- Dividend of the Company					(1,772)			(1,772)
- Dividend of subsidiaries							(123)	(123)
Balance at 30 June 2007	81,193	3,288	40	15,682	(30,720)	-	11,167	80,650

(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 30 JUNE 2008**

	Current year To date 30 June 2008 RM¢000	Preceding year corresponding period 30 June 2007 RM¢000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	4,827	4,059
<i>Adjustments for:</i>		
Non-cash items	3,252	1,799
Non-operating items	5,443	5,271
Operating profit before changes in working capital	13,522	11,129
Changes in inventories	72	1,029
Changes in property development	10,465	7,422
Changes in receivables	21,115	51,057
Changes in payables	(21,962)	2,864
Cash generated/(utilized) in operating activities	23,212	73,501
Expressway development expenditure	(167)	(784)
Interest paid	(5,186)	(5,145)
Tax paid	(1,386)	737
Net cash flows from operating activities	16,473	68,309
CASH FLOWS FROM INVESTING ACTIVITIES		
Equity investments	124	(183)
Other investments	4,124	(3,824)
	4,248	(4,007)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) / Drawdown of bank borrowings, net	(20,741)	(74,999)
Payment of hire purchase instalments	(1,356)	(1,159)
Hire purchase term charges paid	(310)	(610)
Proceeds from issue of shares	164	268
Dividend paid to shareholders of the Company	-	(1,772)
Dividend paid to minority interests	-	(123)
	(22,243)	(78,395)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(1,522)	(14,093)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	(8,915)	(2,686)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	(10,437)	(16,779)
<i>Represented by:</i>		
CASH AND BANK BALANCES	10,306	10,034
BANK OVERDRAFTS	(20,743)	(26,813)
	(10,437)	(16,779)

(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 (øFRSø) 134: øInterim Financial Reportingø and Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Groupø 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 164,600 new ordinary shares of RM1 each, pursuant to the exercise of the Employeesø 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

30 June 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	250,497	33,139	9,589	36,711	-	-	329,936
Inter-segment sales	228	-	-	10,860	-	(11,088)	-
	-----	-----	-----	-----	-----	-----	-----
Total revenue	250,725	33,139	9,589	47,571	-	(11,088)	329,936
	=====	=====	=====	=====	=====	=====	=====
RESULTS							
Segment operating profit/(loss)	3,913	1,176	493	1,558	(15)	(25)	7,100
Investment income	122	-	-	-	-	-	122
Finance costs	(2,154)	-	(89)	(245)	-	-	(2,488)
Share of results of -associates	23	-	-	719	-	-	742
-jointly controlled entity	(649)	-	-	-	-	-	(649)
	-----	-----	-----	-----	-----	-----	-----
Profit before taxation	1,255	1,176	404	2,032	(15)	(25)	4,827
	=====	=====	=====	=====	=====	=====	=====

30 June 2007	Construction	Property development	Polyol manufacturing	Quarry and ready mix concrete	Others	Elimination	Consolidated
	RMø000	RMø000	RMø000	RMø000	RMø000	RMø000	RMø000
REVENUE							
External sales	195,033	15,523	9,971	45,134	-	-	265,661
Inter-segment sales	191	-	-	2,508	-	(2,699)	-
	-----	-----	-----	-----	-----	-----	-----
Total revenue	195,224	15,523	9,971	47,642	-	(2,699)	265,661
	=====	=====	=====	=====	=====	=====	=====
RESULTS							
Segment operating profit/(loss)	2,417	757	414	1,158	132	(45)	4,833
Investment income	534	-	-	-	-	-	534
Finance costs	(2,513)	-	(42)	(206)	-	-	(2,761)
Share of associated companiesøprofits less losses	726	-	-	727	-	-	1,453
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Profit before taxation	1,164	757	372	1,679	132	(45)	4,059
	=====	=====	=====	=====	=====	=====	=====

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 the end of the current quarter 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

During the financial period under review, the Group reduced its equity interest in KL-Kuala Selangor Expressway Bhd by disposing 500,000 ordinary shares of RM1 each, representing 10% of the issued and paid-up share capital of KL-Kuala Selangor Bhd on 21 April 2008. Arising from the disposal, KL-Kuala Selangor Expressway Bhd has ceased to be a subsidiary of the Group but has become a 50% associate.

A13. Changes in contingent liabilities or contingent assets

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

	31 Dec 07	Changes	20 Aug 08
	RM'000	RM'000	RM'000
Guarantees given for performance bonds granted to an associated company	27,612	13,866	41,478
Guarantees given in favour of financial institutions for credit facilities granted to an associated company	74	(7)	67
Guarantees given to secure hire purchase liabilities of a former associate	72	(33)	39
	-----	-----	-----
	27,758	13,826	41,584
	=====	=====	=====

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

For the six months ended 30 June 2008, the Group achieved a revenue of RM329.9 million and profit before tax of RM4.8 million as compared to the previous corresponding period of RM265.7 million and RM4.1 million respectively

The construction division recorded a revenue of RM250.7 million and profit before tax of RM1.3 million as compared to the previous corresponding period of RM195.2 million and RM1.2 million 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 RM33.1million and profit before tax of RM1.2 million as compared to the previous corresponding period of RM15.5 million and RM0.7 million respectively. The improved performance of this division was mainly attributable to progressive profit recognised on Jesselton Condominium sold during the period.

The quarry and ready mix concrete division achieved a profit before tax of RM2 million for the six months ended 30 June 2008 as compared to RM1.7 million in the previous corresponding period. The performance of this division remains satisfactory.

The polyol division achieved a revenue of RM9.6 million and profit before tax of RM404,000 as compared to the previous corresponding period of RM10.0 million and RM372,000 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 RM179.3 million as compared to the immediate preceding quarter of RM150.6 million.

The Group's recorded a profit before tax of RM3.1 million for the 2nd quarter ended 30 June 2008 as compared to the preceding quarter of RM1.8 million.

The improved result was mainly attributable to better performance from property division.

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

	Individual Period		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	30 June 2008 RMø000	30 June 2007 RMø000	30 June 2008 RMø000	30 June 2007 RMø000
Malaysian tax expense				
- Current	207	9	363	222
- Deferred	(114)	95	(128)	161
Overseas tax expense	800	-	800	-
	-----	-----	-----	-----
	893	104	1,035	383
Under-estimation of tax in prior years	15	20	15	20
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	908	124	1,050	403
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The Group's effective taxation rate for the period ended 30 June 2008 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 30 June 2008 were as follows:

	RMø000
(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 30 June 2008 are as follows:

RM'000	<-----30 June 2008----->		31 Dec 2007	
	Repayable within next 12 months	Repayable after next 12 months	Total outstanding	Total outstanding
(a) Long term loans (secured)	1,487	3,700	5,187	1,524
(b) Short term loans				
- Secured	13,796	-	13,796	12,565
- Unsecured	70,387	-	70,387	74,937
	84,183	-	84,183	87,502
(c) Project financing (secured)	69,242	1,367	70,609	94,898
Total borrowings	154,912	5,067	159,979	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 (öKimpointö) 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. On 10 July 2008, the court adjourned to 11 August 2008 as the court file could not be located. On 11 August, 2008 court directed for Kimpoint to submit their written submission on 2 September 2007, our submission on 23 September 2008, Kimpoint reply to our submission on 14 October 2008 and hearing or clarification on 18 November 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 (öBPSBö) against EP Engineering Sdn Bhd (öEPö) and Kris Heavy Engineering & Construction Sdn Bhd (öKris Heavyö) 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. Federal court dismiss our application to appeal with costs.

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 during the financial period under review.

B13. Earnings per share

	Individual Period		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	30 June 2008 RM'000	30 June 2007 RM'000	30 June 2008 RM'000	30 June 2007 RM'000
a Basic earnings per share				
Net profit for the year (RM'000)	1,849	1,645	3,048	3,003
Weighted average number of ordinary shares in issue ('000)	82,698	80,942	82,682	80,933
Basic earnings per share (sen)	2.24	2.03	3.69	3.70

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
26 August 2008