

BINA PURI HOLDINGS BHD(Company No. 207184-X)
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

	3 months ended		9 months ended	
	30-Sep-12 RM'000	30-Sep-11 RM'000	30-Sep-12 RM'000	30-Sep-11 RM'000
Revenue	367,049	297,730	953,204	888,340
Cost of sales	(350,957)	(276,666)	(906,537)	(838,981)
Gross profit	16,092	21,064	46,667	49,359
Other operating income	610	1,201	4,003	4,523
Administrative expenses	(12,914)	(16,536)	(36,387)	(39,096)
	3,788	5,729	14,283	14,786
Share of results in associates	13	120	564	477
Share of results in a jointly controlled entity	(167)	969	(508)	979
Investment income	33	201	235	287
Finance costs	(1,589)	(1,179)	(5,001)	(3,292)
Profit before taxation	2,078	5,840	9,573	13,237
Taxation	(1,228)	(4,192)	(3,790)	(4,926)
Profit for the period	850	1,648	5,783	8,311
Other comprehensive (loss)/income				
- Foreign currency translation	(302)	470	(507)	401
	548	2,118	5,276	8,712
Profit attributable to :				
Owners of the Company	132	1,623	4,357	7,574
Non-controlling interests	718	25	1,426	737
	850	1,648	5,783	8,311
Total comprehensive profit attributable to :				
Owners of the Company	(175)	2,094	3,848	7,976
Non-controlling interests	723	24	1,428	736
	548	2,118	5,276	8,712
Earnings per share (sen)				
- basic	0.11	1.46	3.52	6.95
- diluted	N/A	N/A	3.52	N/A

(The condensed consolidated comprehensive income statement should be read in conjunction with the audited financial statements for year ended 31 Dec 2011 and the accompanying explanatory notes attached to the interim financial statements)

BINA PURI HOLDINGS BHD(Company No. 207184-X)
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2012**

	As At 30-Sep-12 RM'000 (Unaudited)	As At 31-Dec-11 RM'000 (Audited)
Non-current assets		
Property, plant and equipment	98,995	94,638
Investment properties	112	112
Investment in associates	4,548	3,717
Other investments	37,274	37,274
Goodwill	350	350
Deferred tax assets	678	678
Total non-current assets	141,957	136,769
Current assets		
Inventories	4,950	4,996
Property development cost	81,558	33,549
Gross amount due from contract customers	300,390	211,567
Trade and other receivables	533,288	421,628
Tax recoverable	663	694
Fixed deposits with licensed banks	17,457	23,220
Cash and bank balances	34,309	53,789
Total current assets	972,615	749,443
Current liabilities		
Gross amount due to contract customers	92,747	23,842
Trade and other payables	426,053	410,108
Hire purchase payables	8,691	4,793
Bank borrowings	383,899	252,326
Tax payable	9,261	14,032
Total current liabilities	920,651	705,101
	51,964	44,342
	193,921	181,111
Equity		
Share capital	124,358	121,883
Reserves	9,144	7,104
Shareholders' funds	133,502	128,987
Non-controlling interests	15,097	13,424
Total equity	148,599	142,411
Non-current liabilities		
Hire purchase payables	9,552	8,661
Term loans	33,954	27,744
Deferred tax liabilities	1,816	2,295
Total non-current liabilities	45,322	38,700
	193,921	181,111
Net assets per share (RM)	1.0735	1.0583

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for year ended 31 Dec 2011 and the accompanying notes attached to the interim financial statements)

BINA PURI HOLDINGS BHD

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	Share capital RM'000	Share premium RM'000	Other capital reserves RM'000	Translation reserve RM'000	Employee share option reserve RM'000	Accumulated losses RM'000	Attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 January 2011	107,036	2,975	15,682	(1,557)	677	(15,143)	109,670	12,224	121,894
Total comprehensive income for the financial period	-	-	-	(151)	-	5,997	5,846	750	6,596
Exercise of employee share options	5,247	1,880	-	-	(1,622)	-	5,505	-	5,505
Acquisition of subsidiaries	-	-	-	-	-	-	-	450	450
Grant of share options to employees	-	-	-	-	1,680	-	1,680	-	1,680
Dividends on ordinary shares	-	-	-	-	-	(3,221)	(3,221)	-	(3,221)
Issuance of ordinary shares	9,600	-	-	-	-	-	9,600	-	9,600
Share issuance expenses	-	(93)	-	-	-	-	(93)	-	(93)
Total transactions with owners	14,847	1,787	-	-	58	(3,221)	13,471	450	13,921
At 31 December 2011	121,883	4,762	15,682	(1,708)	735	(12,367)	128,987	13,424	142,411
Total comprehensive income for the financial period	-	-	-	(508)	-	4,357	3,849	1,428	5,277
Exercise of employee share options	847	372	-	-	(305)	-	914	-	914
Increase share capital in a subsidiary	-	-	-	-	-	-	-	245	245
Dividends on ordinary shares	-	-	-	-	-	(1,861)	(1,861)	-	(1,861)
Issuance of ordinary shares	1,628	(15)	-	-	-	-	1,613	-	1,613
Share issuance expenses	-	-	-	-	-	-	-	-	-
Total transactions with owners	2,475	357	-	-	(305)	(1,861)	666	245	911
At 30 September 2012	124,358	5,119	15,682	(2,216)	430	(9,871)	133,502	15,097	148,599

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for year ended 31 Dec 2011 and the accompanying notes attached to the interim financial statements)

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

**CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

	9 months ended 30-Sep-12 RM'000	9 months ended 30-Sep-11 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before taxation	9,573	13,237
Adjustments for:		
Allowance for impairment loss receivables	13	(65)
Amortisation of government grant	-	(57)
Depreciation	8,209	6,397
Gain on disposal of property, plant and equipment	(740)	(513)
Gain on disposal of other investment	-	(50)
Interest expense	13,211	11,172
Interest income	(250)	(292)
Property, plant and equipment written off	47	1
Share of results in:-		
- associates	(564)	(477)
- jointly controlled entity	508	(979)
	<u>30,007</u>	<u>28,374</u>
Net changes in current assets	(248,459)	(12,197)
Net changes in current liabilities	86,142	(35,846)
	<u>(132,310)</u>	<u>(19,669)</u>
Interest paid	(12,284)	(10,463)
Tax paid	(8,891)	(2,133)
Net Operating Cash Flows	<u>(153,485)</u>	<u>(32,265)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Interest received	250	292
Proceeds from disposal of:		
- other investments	-	74
- property, plant and equipment	1,145	1,075
Purchase of investment in associates	(367)	-
Purchase of property, plant and equipment	(5,986)	(11,550)
Dividend received	200	-
Release/(placement) of fixed deposits	5,833	8,365
Net Investing Cash Flows	<u>1,075</u>	<u>(1,744)</u>

BINA PURI HOLDINGS BHD

(Company No. 207184-X)

(Incorporated in Malaysia)

**CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (Continued)**

	9 months ended 30-Sep-12 RM'000	9 months ended 30-Sep-11 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to shareholders of the Company	(1,861)	(3,221)
Drawdown/(repayment) of bank borrowings	147,975	77,584
Hire purchase interests paid	(927)	(709)
Repayment of hire purchase obligations	(3,715)	(3,885)
Issuance of shares to non-controlling interests	245	-
Proceeds from:		
- issuance of shares	1,628	-
- exercise of employee share options	899	5,478
Net Financing Cash Flows	144,244	75,247
NET CHANGE IN CASH AND CASH EQUIVALENTS	(8,166)	41,238
EFFECT OF CHANGES IN EXCHANGE RATE	(979)	285
CASH AND CASH EQUIVALENTS AT BEGINNING OF BEGINNING OF THE FINANCIAL PERIOD	4,790	(58,254)
CASH AND CASH EQUIVALENTS AT END OF OF THE FINANCIAL PERIOD	(4,355)	(16,731)
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Fixed deposits with licensed banks	17,457	21,908
Less: fixed deposits pledged to licensed banks	(16,207)	(21,739)
	1,250	169
Cash and bank balances	34,309	39,226
Bank overdrafts	(39,914)	(56,126)
	(4,355)	(16,731)

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for year ended 31 Dec 2011 and the accompanying notes attached to the interim financial statements)

Bina Puri Holdings Bhd

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

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The Group falls within the scope definition of Transitioning Entities. The Transitioning Entities are given an option to defer adoption of the MFRSs framework. Transitioning Entities also includes those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1st January 2012.

Accordingly, the Group has chosen to defer the adoption of the MFRSs framework. The Group and the Company will prepare its first MFRSs financial statements using the MFRSs framework for the financial year ending 31 December 2014. For the financial year ending 31 December 2012, the Group will continue to prepare financial statements using Financial Reporting Standards.

The interim financial statements are unaudited and have been prepared in accordance with the requirement of FRS 134 : Interim Financial Reporting and paragraph 9.22 of the Main Marketing 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 2011.

A2. Accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2011, except for the adoption of the following new Financial Reporting Standards (FRS), amendment to FRS and IC Interpretations with effect from 1 January 2012.

Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendment to FRS 7	Financial Instruments: Disclosures
Amendments to IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
FRS 124	Related Party Disclosures
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments

Adoption of the above FRS, amendments to FRS and IC Interpretations did not have any impact on the financial statements of the Group.

The Group and Company have not adopted the following new and revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:-

		Effective for financial periods beginning on or after
FRS 9	Financial Instruments	1 January 2015
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosures of Interests in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013

A2. Accounting policies (continued)

FRS 12	Disclosures of Interests in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013
<u>Revised FRSs</u>		
FRS 119	Employee Benefits	1 January 2013
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investments in Associates and Joint Ventures	1 January 2013
<u>Amendments/Improvements to FRSs</u>		
FRS 101	Presentation of Financial Statements	1 July 2012
FRS 132	Financial Instruments: Presentation	1 January 2014
<u>New IC Int</u>		
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

IC Int 15 Agreements for the Construction of Real Estate

IC Int 15 establishes that the developer will have to evaluate whether control and significant risks and rewards of the ownership of work in progress can be transferred to the buyer as construction progresses before revenue can be recognised. The Group is currently assessing the impact of the adoption of this Interpretation.

A3. Seasonal or cyclical factors

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

A4. Unusual items affecting assets, liabilities, equity, net income or cash flow

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flow during the quarter under review.

A5. Material Changes in estimates

There was no material changes in estimates of amounts reported in the prior interim periods of the current financial year or the previous financial year.

A6. Issuances, repurchases and repayments of debt and equity securities

There were no issuance and repayment of debts, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period except for:-

- The issuance of 847,000 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Share Option Scheme.
- The private placement of 1,628,200 new ordinary shares of RM1 each.

A7. Dividend paid

A final dividend of 2% per share less 25% income tax amounting to RM1,861,009.83 was paid on 18 July 2012 in respect of the financial year ended 31 December 2011.

A8. SEGMENTAL ANALYSIS

The Group's operations comprise the following business segments:

- (i) Construction
- (ii) Property development
- (iii) Polyol manufacturing
- (iv) Quarry and ready mix concrete
- (v) Power supply

30-Sep-12	Construction	Property development	Quarry and readymix concrete	Polyol	Power supply	Others	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External customer	822,956	29,970	77,898	16,785	5,595	-	953,204
Inter-segment revenue	638		731			-	1,369
	<u>823,594</u>	<u>29,970</u>	<u>78,629</u>	<u>16,785</u>	<u>5,595</u>	<u>-</u>	<u>954,573</u>
Adjustments and eliminations							(1,369)
Consolidated revenue							<u>953,204</u>
Results							
Segment results	7,837	1,642	1,989	373	2,366	76	14,283
Investment income	211	24	-	-	-	-	235
Share of results in associates	(192)	99	657	-	-	-	564
Share of results in a jointly controlled entity	(508)						(508)
Finance costs	(3,714)	(452)	(528)	(106)	(201)		(5,001)
Consolidated profit before taxation	<u>3,634</u>	<u>1,313</u>	<u>2,118</u>	<u>267</u>	<u>2,165</u>	<u>76</u>	<u>9,573</u>

A8. SEGMENTAL ANALYSIS (continued)

30-Sep-11	Construction	Property development	Quarry and readymix concrete	Polyol	Power supply	Others	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External customer	823,525	-	50,473	10,766	3,576	-	888,340
Inter-segment revenue	941	-	24,582	-	-	-	25,523
	<u>824,466</u>	<u>-</u>	<u>75,055</u>	<u>10,766</u>	<u>3,576</u>	<u>-</u>	<u>913,863</u>
Adjustments and eliminations							(25,523)
Consolidated revenue							<u>888,340</u>
Results							
Segment results	13,210	(268)	1,974	(565)	1,267	168	15,786
Adjustments and eliminations							(1,000)
							<u>14,786</u>
Investment income	162	125	-	-	-	-	287
Share of results in associates	(1)	-	478	-	-	-	477
Share of results in a jointly controlled entity	979	-	-	-	-	-	979
Finance costs	(2,679)	-	(423)	(111)	(79)	-	(3,292)
Consolidated profit before taxation	<u>11,671</u>	<u>(143)</u>	<u>2,029</u>	<u>(676)</u>	<u>1,188</u>	<u>168</u>	<u>13,237</u>

A9. Material 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.

A10. Changes in the composition of the Group

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

A11. Changes in contingent liabilities or contingent assets

The changes in contingent liabilities since 31 December 2011 were as follows:

	15-Nov-12 RM'000	Changes RM'000	31-Dec-11 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to:			
- associates	26,503	(7,836)	34,339
- other investment	1,054,863	69,033	985,830
			<hr/>

A12. Capital commitments

Authorised capital commitments not recognised in the interim financial statements as at 30 September 2012 are as follows:

	30-Sep-12 RM'000	31-Dec-11 RM'000
Approved and not contracted for :		
- development of mini hydro power plant in Sulawesi	31,000	-
Approved and contracted for :		
- property, plant and equipment	-	1,723
		<hr/>

B : Additional notes to Bursa Malaysia Securities Berhad listing requirements**B1. Review of performance**

The Group recorded a revenue of RM367.0 million for the current quarter under review and RM953.2 million for the nine months ended 30 September 2012 as compared to the previous corresponding period of RM297.7 million and RM888.3 million respectively.

The Group recorded a profit before tax of RM2.1 million for the current quarter under review and RM9.6 million for the nine months ended 30 September 2012 as compared to the previous corresponding period of RM5.8 million and RM13.2 million respectively.

B1. Review of performance (continued)

For the period ended 30 September 2012, the construction division recorded revenue of RM823.6 million and profit before tax of RM3.6 million as compared to the previous corresponding period of RM824.5 million and RM11.7 million respectively. Higher construction costs for overseas projects and foreign currency exchange loss resulted in lower profit for the current period under review.

The property division recorded revenue of RM30.0 million and profit before tax of RM1.3 million for the period ended 30 September 2012. This was mainly attributable from progressive profit recognition from sales of development properties for Laman Vila, Mont. Kiara North and Main Place Residence, USJ 21.

The quarry and ready mix concrete division recorded revenue of RM78.6 million and profit before tax of RM2.1 million as compared to the previous corresponding period of RM75.1 million and RM2.0 million respectively.

The polyol division recorded revenue of RM16.8 million and profit of RM267,000 as compared to the previous corresponding period of RM10.8 million and loss of RM676,000 respectively. The higher export sales contributed to the improved performance of this division.

The power supply division recorded revenue of RM5.6 million from the micro power service to PT Perusahaan Listrik Negara (State Electricity Company owned by Indonesia government) and profit before tax of RM2.2 million as compared to the previous corresponding period of RM3.6 million and RM1.2 million respectively. The improved performance was mainly due to full operation of the 10MW micro power plants since July 2011 and additional 1 MW micro power plant in August 2012.

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

During the quarter under review, the Group achieved revenue of RM367.0 million and profit before tax of RM2.1 million as compared to the immediate preceding quarter of RM284.3 million and RM3.7 million respectively.

Higher construction costs for overseas projects and foreign currency exchange loss resulted in lower profit for the current period under review.

B3. Prospects

The Group will continue to focus on and enhance its main core businesses. The current value of contract work in progress is approximately RM2.2 billion, which is expected to provide a steady stream of revenue for the Group over the next three years.

The Group has launched some projects in Klang Valley and would continue with other development in Klang Valley, Johor Bahru and Kota Kinabalu with an estimated projected gross development value of more than RM1.5 billion. This would contribute to better profit margin for the Group.

The Group has successfully secured from PT PLN (Persero) Wilayah Bangka Belitung the additional production capacity of 3MW and 1MW for the micro power generation facilities in Pulau Bangka, Indonesia.

The Group has entered into an agreement with PT.PLN (Persero), Wilayah Sulawesi to build and operate a mini hydro power plant with capacity of 4,200 KW in Sulawesi at an estimated development cost of US\$10 million. The tenure of the Power Purchase Agreement is 15 years effective from the date of commercial run of the power plant. The mini hydro operation is expected to contribute positively to the earnings of the Group for the financial year ending 31 December 2014 onwards.

The Group is currently exploring business opportunities that would contribute more recurring income to the Group.

B4. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial year.

B5. Taxation

	3 months ended		9 months ended	
	30-Sep-12 RM'000	30-Sep-11 RM'000	30-Sep-12 RM'000	30-Sep-11 RM'000
Income tax				
- current year				
- Malaysian income tax	1,929	3,964	3,967	4,559
- Foreign income tax	179	74	554	262
- prior year				
- Malaysian income tax	(273)	(168)	(250)	(168)
	1,835	3,870	4,271	4,653
Deferred taxation				
- current year	(607)	322.00	(481)	273.00
	(607)	322	(481)	273
	1,228	4,192	3,790	4,926

The Group's effective tax rate was higher compared to the statutory taxation rate mainly due to certain non-tax deductible expenses.

B6. Status of corporate proposals

There were no pending corporate proposals except for the proposed disposal of 80% equity interest in PT Megapower Makmur to Oriented Media Group Berhad.

B7. Group borrowings and debt securities

The group borrowings as at 30 September 2012 are as follows:

	<----- 30 September 2012 ----->		31-Dec-11	
	Repayable within next 12 months RM'000	Repayable after next 12 months RM'000	Total RM'000	Total RM'000
(i) Long term loans (secured)	4,082	33,954	38,036	32,201
(ii) Short term loans				
- secured	4,000	-	4,000	4,000
-unsecured	85,316	-	85,316	71,806
	89,316	-	89,316	75,806
(iii) Project financing (secured)	290,501	-	290,501	172,063
Total borrowings	383,899	33,954	417,853	280,070

B7. Group borrowings and debt securities (continued)

The borrowings were denominated in the following currencies :-

	<----- 30 September 2012 ----->			31-Dec-11
	Secured RM'000	Unsecured RM'000	Total RM'000	Total RM'000
Ringgit Malaysia	303,217	85,316	388,533	245,828
United States Dollar	3,804	-	3,804	5,231
Brunei Dollar	25,516		25,516	29,011
	<u>332,537</u>	<u>85,316</u>	<u>417,853</u>	<u>280,070</u>

B8. Changes in material litigation

- **Kuala Lumpur High Court Suit No.: S4-22-1076-2005 Ho Hup Construction Company Berhad (“Ho Hup”) v. KM Quarry Sdn Bhd (“KMQ”)**

Ho Hup was claiming, *inter alia*, for RM3,433,336 for incomplete, inaccurate joint measurement and overvaluation amounting to RM2,439,294 in respect of works carried out by KM Quarry. KM Quarry’s counter claimed, *inter alia*, for the unpaid outstanding balance of RM3,774,875 in respect of works carried out by KM Quarry. On 29th March 2011, the Court gave Judgment in favour of KM Quarry for RM3,609,655 together with interest at 8% per annum from 25th November, 2005 till date of full realization plus costs and also ordered that costs for the independent referee.

By a settlement agreement dated 7th July 2011, the parties had agreed to settle amicably out of Court at a settlement sum of RM4 million with costs of independent referee. Payment of the settlement sum shall be effected by Ho Hup via the issuance of Redeemable Convertible Preference Shares (RCPS) to KM Quarry worth RM4 million under its Restructuring Scheme of Arrangement pursuant to Section 176 Companies Act, 1965 on or before 31st December 2011 with a grace period of one (1) month therefrom and additionally guaranteed by third party, failing which KM Quarry shall be at liberty to enforce the Judgment pursuant to its terms in full force and effect.

At the said third party’s request, KMQ has granted an extension of time to the said third party to allow the balance of settlement sum to be paid by installment without prejudice to KMQ’s rights to enforce the Judgment and the said Guarantee against Ho Hup and the said third party respectively. On 9th March 2012, the guarantor has paid RM1.0 million together with interest of RM52,603.00 as first partial payment of settlement sum. On 6th November 2012, the guarantor has paid the second partial payment of RM1.0 million and further proposed to settle the balance of settlement sum on or before March 2013.

- **EP Engineering Sdn Bhd (“EP”) v. Bina Puri Sdn Bhd (BPSB) & Kris Heavy Engineering & Construction Sdn Bhd (“KH”) [Arbitration]**

The nature of the proceeding is an Arbitration which has been instituted by EP against BPSB together with KH for an amount of RM16,834,453.00 together with interest thereon for lost and damages suffered by reason of KH’s wrongful repudiation of a subcontract which was awarded by KH to EP. BPSB denies the claim on the ground that there is no contract in existence between EP and BPSB and the alleged amount of lost and damage suffered was by reason of KH’s wrongful repudiation.

B8. Changes in material litigation (continued)

EP has closed its case in the Arbitration proceeding. On 24th August 2012, the Arbitrator directed on for EP to file its written submission by 31st December 2012 and KH to file its submission in reply and submission on counterclaim by 30th April 2013. EP shall thereafter file EP's submission in reply to KH's submission and counterclaim by 30th June 2013 and KH shall thereafter file KH's submission in reply to EP's submission by 15th August 2013. The Arbitrator also directed BP to file its written submission in response to EP's claim and to any aspect of KH's submission by 15th August 2013.

- **ANC Holdings Pte Ltd (“ANC”) v Bina Puri Holdings Bhd (“BPHB”)**

ANC is claiming for an amount of SGD4,632,274.00 together with interest thereon for commission in the procurement of two (2) projects known as the 359 units of houses at Al Amlaj in Tabuk and the 308 units of houses at Al Dawandmy, both in the Kingdom of Saudi Arabia (“the Projects”). BPHB denies that the award had resulted from ANC's assistance since BPHB had secured the Projects through its own efforts.

The trial for this matter was concluded on 13th September 2012 and Written Submission was thereafter filed on 25th October. The Oral Submission which was originally scheduled on 19th November 2012 has been postponed by the Court and the dates are yet to be fixed.

- **MDC Precast Industries Sdn Bhd (“MDC”) v Bina Puri Sdn Bhd (“BPSB”)**

MDC was claiming, *inter alia*, for RM479,869 and late payment interest of RM87,605 for goods which have been supplied and delivered by BPSB. BPSB counter claimed, *inter alia*, that the goods delivered by MDC are defective and unfit for its purpose. BPSB avers that due to the defective goods supplied by MDC and the rejection of those defective goods by the Employer of the Project, BPSB had incurred additional cost of RM1,642,336.47 for rectification works and accelerating of the work in order to complete the Project.

On 25 May 2012, the Learned High Court Judge has granted the MDC's Summary Judgment but has also allowed a stay of execution of the judgment on the basis that we have a plausible counterclaim against MDC. BPSB's Appeal against the Summary Judgment decision was allowed on 25th September 2012 and the High Court decision was set aside.

The matter was fixed for Trial on 20th December 2012 until 21st December 2012.

B9. Breakdown of realised and unrealised profits or losses of the Group

	30-Sep-12	31-Dec-11
	RM'000	RM'000
Total (accumulated losses)/retained profits		
- realised	(6,126)	(8,246)
- unrealised	(1,313)	(1,794)
	<u>(7,439)</u>	<u>(10,040)</u>
Total share of (accumulated losses)/retained profits of associates:		
- realised	80	(324)
- unrealised	-	-
	<u>80</u>	<u>(324)</u>
Total share of (accumulated losses)/retained profits of jointly controlled entity		
- realised	(2,512)	(2,003)
- unrealised	-	-
	<u>(2,512)</u>	<u>(2,003)</u>
Total	<u>(9,871)</u>	<u>(12,367)</u>

B10. Dividend

No interim dividend has been declared for the financial period under review.

B11. Earnings per share

	3 months ended		9 months ended	
	30-Sep-12	30-Sep-11	30-Sep-12	30-Sep-11
	'000	'000	'000	'000
(a) Basic earnings per share				
Profit after taxation attributable to owners of the Company (RM)	132	1,623	4,357	7,574
Weighted average number of ordinary shares (Unit):	124,202	111,142	123,900	108,975
Basic earnings per share (sen)	0.11	1.46	3.52	6.95

(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.

B12. Audit report qualification

The financial statements of the Group for the year ended 31 December 2011 were not subject to any audit qualification.

B13. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with resolution of the Directors