

BINTAI KINDEN CORPORATION BERHAD

(Company No. 290870-P)

Interim Financial Statements for Quarter Ended 30 September 2007**Condensed Consolidated Income Statement
For Second Quarter Ended 30 September 2007**

	Quarter ended		Cumulative Year To Date	
	30.9.2007	30.9.2006	30.9.2007	30.9.2006
	RM'000	RM'000	RM'000	RM'000
Revenue	43,340	88,961	95,611	163,867
Cost of sales	(43,725)	(81,064)	(93,127)	(148,040)
Gross (loss)/profit	<u>(385)</u>	<u>7,897</u>	<u>2,484</u>	<u>15,827</u>
Other operating income	1,639	284	2,158	592
Operating expenses	(3,720)	(5,083)	(16,097)	(10,084)
Gain on disposal of investment	-	-	8,836	-
	<u>(2,466)</u>	<u>3,098</u>	<u>(2,619)</u>	<u>6,335</u>
Finance costs	(2,267)	(2,040)	(3,526)	(3,927)
Share of results of associates	-	-	-	-
(Loss)/Profit before taxation	<u>(4,733)</u>	<u>1,058</u>	<u>(6,145)</u>	<u>2,408</u>
Taxation	(99)	(679)	(159)	(1,621)
(Loss)/Profit for the period	<u><u>(4,832)</u></u>	<u><u>379</u></u>	<u><u>(6,304)</u></u>	<u><u>787</u></u>
Attributable to:				
Equity holders of the Company	(4,660)	379	(6,033)	787
Minority interests	(172)	-	(271)	-
	<u><u>(4,832)</u></u>	<u><u>379</u></u>	<u><u>(6,304)</u></u>	<u><u>787</u></u>
(Loss)/Earnings per share attributable to ordinary equity holders of the parent:				
Basic (sen)	(4.49)	0.37	(5.81)	0.77
Diluted (sen)	(4.49)	0.37	(5.81)	0.77

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

BINTAI KINDEN CORPORATION BERHAD

(Company No. 290870-P)

Interim Financial Statements for Quarter Ended 30 September 2007**Condensed Consolidated Balance Sheet as at 30 September 2007**

	Unaudited as at 30.9.2007 RM'000	Audited as at 31.3.2007 RM'000
Non Current Assets		
Property, plant and equipment	7,440	7,686
Investment properties	9,081	9,089
Prepaid lease payments	603	607
Quoted investments	6,368	10,329
Other investments	4,013	4,015
Long term receivable	46,555	17,991
Deferred tax assets	3	3
	<u>74,063</u>	<u>49,720</u>
Current Assets		
Property development costs	1,901	24
Inventories	2,258	2,423
Receivables	327,664	407,863
Non-current assets held for sale	1,312	1,955
Tax recoverable	4,057	7,456
Cash and bank balances	26,877	50,698
	<u>364,069</u>	<u>470,419</u>
Current Liabilities		
Provision for warranty	1,002	702
Payables	124,857	203,251
Borrowings	190,031	210,985
Hire purchase payables	719	564
Provision for taxation	396	547
	<u>317,005</u>	<u>416,049</u>
Net Current Assets	47,064	54,370
Less: Non-Current Liabilities		
Borrowings	(36,144)	(12,172)
Hire purchase payables	(711)	(1,230)
	<u>84,272</u>	<u>90,688</u>
Equity		
Share capital	103,889	103,889
Share premium	1,142	1,142
Less: Treasury shares	(3,460)	(3,404)
Foreign currency reserve	(87)	(31)
Accumulated losses	(17,854)	(11,821)
Total Equity attributable to equity holders of the Company	<u>83,630</u>	<u>89,775</u>
Minority interest	642	913
Total equity	<u>84,272</u>	<u>90,688</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	0.80	0.86

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

BINTAI KINDEN CORPORATION BERHAD

(Company No. 290870-P)

Interim Financial Statements for Quarter Ended 30 September 2007
Condensed Consolidated Statement of Changes In Equity For The Six Months Ended 30 September 2007
Attributable to Equity Holders of the Company

Group	Non-distributable					Distributable		Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Reserve on Consoli- dation RM'000	Foreign Exchange Reserve RM'000	Accumulated losses RM'000	Total RM'000		
As at 1 April 2007	103,889	1,142	(3,404)	-	(31)	(11,821)	89,775	913	90,688
Foreign exchange differences recognised directly in equity:	-	-	-	-	(56)	-	(56)	-	(56)
Purchase of treasury shares	-	-	(56)	-	-	-	(56)	-	(56)
Net loss for the period	-	-	-	-	-	(6,033)	(6,033)	(271)	(6,304)
As at 30 September 2007	<u>103,889</u>	<u>1,142</u>	<u>(3,460)</u>	<u>-</u>	<u>(87)</u>	<u>(17,854)</u>	<u>83,630</u>	<u>642</u>	<u>84,272</u>
As at 1 April 2006									
- as previously reported	103,889	1,142	(3,403)	3,369	(103)	(15,673)	89,221	730	89,951
- effect of adopting FRS 3	-	-	-	(3,369)	-	3,369	-	-	-
As restated at 1 April 2006	<u>103,889</u>	<u>1,142</u>	<u>(3,403)</u>	<u>-</u>	<u>(103)</u>	<u>(12,304)</u>	<u>89,221</u>	<u>730</u>	<u>89,951</u>
Foreign exchange differences recognised directly in equity:	-	-	-	-	72	-	72	-	72
Purchase of treasury shares	-	-	(1)	-	-	-	(1)	-	(1)
Net profit for the year	-	-	-	-	-	483	483	183	666
As at 31 March 2007	<u>103,889</u>	<u>1,142</u>	<u>(3,404)</u>	<u>-</u>	<u>(31)</u>	<u>(11,821)</u>	<u>89,775</u>	<u>913</u>	<u>90,688</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

BINTAI KINDEN CORPORATION BERHAD
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Interim Financial Statements for Quarter Ended 30 September 2007

Condensed Consolidated Cash Flow Statement For The Six Months Ended 30 September 2007

	Six months ended 30.9.2007 RM'000	Six months ended 30.9.2006 RM'000
Cash Flow from Operating Activities		
(Loss)/Profit before taxation	(6,145)	2,408
Adjustments for non-cash items	325	3,170
Operating cash flow before changes in working capital	<u>(5,820)</u>	<u>5,578</u>
Net change in current assets	50,516	3,995
Net change in current liabilities	(84,083)	(46,131)
Interest paid	(3,526)	(3,927)
Income tax refund/(paid)	3,322	(701)
Net Cash used in operating activities	<u>(39,591)</u>	<u>(41,186)</u>
Cash Flow from Investing Activities:		
Interest received	200	183
Purchase of treasury shares	(56)	-
Proceeds from disposal of property, plant and equipment	-	65
Proceeds from disposal of quoted investment	13,532	-
Purchase of property, plant and equipment	(286)	(145)
Net cash generated from investing activities	<u>13,390</u>	<u>103</u>
Cash Flow from Financing Activities:		
Fixed deposits at call with financial institutions	-	1,463
Proceeds from bank borrowings	27,935	66,632
Repayment of bank borrowings	(5,000)	(48,242)
Repayment to hire purchase creditors	(350)	-
Net cash generated from financing activities	<u>22,585</u>	<u>19,853</u>
Exchange differences on translation of the financial statements of foreign entities	6	13
Net decrease in cash and cash equivalents	<u>(3,610)</u>	<u>(21,217)</u>
Cash and cash equivalents at beginning of financial period	<u>(20,954)</u>	<u>(5,851)</u>
Cash and cash equivalents at end of financial period	<u><u>(24,564)</u></u>	<u><u>(27,068)</u></u>
Represented by:		
Cash and bank balances	26,877	37,834
Overdrafts	(51,441)	(60,298)
Less: Deposits pledged with financial institutions	-	(4,604)
	<u><u>(24,564)</u></u>	<u><u>(27,068)</u></u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

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Interim Financial Statements for Quarter Ended 30 September 2007

Notes to the interim financial statements

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 March 2007.

These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2007.

A2. Changes in accounting policies

The interim financial statements have been prepared based on accounting policies and methods of computation which are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2007, except for the adoption of the following applicable new/revised Financial Reporting Standards ("FRSs") which are mandatory for financial periods beginning on or after 1 October 2006:

FRS 124	Related Party disclosures
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The adoption of FRS 124 has not had any material effect on the Group and the relevant disclosures have been made in Note A14.

A3. Qualification of financial statements

The latest audited financial statements of the Group were not subject to any audit qualification.

A4 Seasonal or Cyclical Factors

The Group's operations are not materially affected by any seasonal or cyclical factors in a way that the interim results under review may not correlate to the preceding year's corresponding interim results.

A5 Nature and amount of unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period to-date.

A6 Nature and amount of changes in estimates

There were no significant changes in estimates that have had a material effect in the current quarter and financial period to-date.

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Interim Financial Statements for Quarter Ended 30 September 2007

A7 Debt and equity securities

During the quarter under review, the Company repurchased 1,000 of its ordinary shares of RM1 each for RM540 at an average price of RM0.54 per share from the open market on the Bursa Malaysia Securities Berhad. These shares are held as treasury shares.

Other than as disclosed above, there was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities by the Group for the interim period under review.

A8 Dividend paid

No dividend was paid during the current quarter (FY 2007: Nil).

A9 Segmental Reporting

Business segment information of the Group for the six months ended 30 September 2007 is as follows:

	Specialised electrical and mechanical engineering services RM'000	Turnkey, infrastructure, civil and structural RM'000	Property holding and development RM'000	Investment holding and others RM'000	Total RM'000
<u>Operating Revenue</u>					
Total revenue	45,390	50,053	-	2,292	97,735
Inter segment	-	-	-	(2,124)	(2,124)
External revenue	45,390	50,053	-	168	95,611
<u>Results</u>					
Segment results	(3,840)	(5,995)	(106)	7,322	(2,619)
Finance costs					(3,526)
Loss from ordinary activities before taxation					(6,145)
Taxation					(159)
Loss for the period					(6,304)

A10 Valuation of property, plant and equipment

The valuation of property, plant and equipment has been brought forward without any amendments from the preceding year's annual financial statements.

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Interim Financial Statements for Quarter Ended 30 September 2007**A11 Material events subsequent to the end of the interim period**

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for this interim period.

A12 Effect of changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year to-date.

A13 Changes in contingent liabilities or contingent assets since the last annual balance sheet date

As at 30 September 2007 the contingent liabilities of the Group and the Company were as follows:

	Group RM'000	Company RM'000
Corporate Guarantees given to licensed banks for banking facilities granted to subsidiary companies (unsecured)	-	460,618
Bank Guarantee by a subsidiary company in respect of projects	40,724	-
Total as at 30 September 2007	<u>40,724</u>	<u>460,173</u>

A14 Related party transactions

The related party transactions noted below have all been undertaken within the mandate approved by the shareholders. The names of the parties referred to by initials are disclosed in full in the annual report for the year ended 31 March 2007.

Nature of the transactions		Current quarter ended 30.9.2007 RM'000	Cumulative year to date 30.9.2007 RM'000
<u>Paid/payable</u>			
OPKH	Rental	23	97
LBC	Rental	-	126
LBC	Staff secondment	61	113
LBC	Contract fees & purchase of materials	3	54
MAED	Contract fees and purchase of materials	502	708
<u>Received/receivable</u>			
MAED	Contract fees and purchase of materials	126	251
BKE	Rental	9	18
BKE	Provision of working capital	328	356
eGames	Rental	10	40
eGames	Purchase of materias	10	10
KC	Contract fees	10	10
LBC	Contract fees & purchase of materials	50	50

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Additional information required by the listing requirements of Bursa Malaysia

B1 Review of performance

The Group recorded a turnover of RM43.340 million for the second quarter ended 30 September 2007 compared to a turnover of RM88.961 million for the corresponding quarter ended 30 September 2006. The lower turnover for the second quarter was mainly attributable to reduced level of activities following completion of the mega project in the previous quarter.

The Group registered a pre-tax loss of RM4.733 million for the second quarter compared to the pre-tax profit of RM1.058 million registered in the previous year corresponding quarter representing an adverse movement of RM5.791 million. The loss for the quarter under review was mainly attributable to losses arising on finalisation of results of completed contracts which in part reflect the escalation in materials prices.

B2 Material changes in the quarterly results compared to the results of the preceding quarter

The Group registered a turnover and pre-tax loss of RM43.340 million and RM4.733 million respectively for the current quarter compared to a turnover and pre-tax loss of RM52.271 million and RM1.412 million respectively for the preceding quarter. The decrease in turnover and increase in pre-tax loss for the quarter under review were mainly attributable respectively to the reduced level of activity following completion of the mega project and to losses arising on finalisation of results of completed projects which in part reflect the escalation in materials prices.

B3 Prospects for year ending 31 March 2008.

The Board of Directors expects the Group's prospect will improve.

B4 Variance of actual profit from forecast profit and shortfall in the profit guarantee

Not applicable.

B5 Taxation

Taxation for the six-months period ended 30 September 2007 of RM0.159 million comprises current taxation of RM0.159 million. There is no deferred taxation.

The effective tax rate of the Group for the current financial year to date is lower than the statutory tax rate prevailing in Malaysia as certain income was exempt from tax in respect of capital gains on disposal of an investment.

B6 Sales of unquoted investments

There were no sales of unquoted investments and properties in the current quarter.

Interim Financial Statements for Quarter Ended 30 September 2007

B7 Particulars of purchases or disposals of quoted securities

(a) Total disposals of quoted securities for the current quarter and financial year to date are as follows:

	Current quarter ended 30.9.2007 RM'000	Cumulative year to date 30.9.2007 RM'000
Cost of disposals	-	3,962

(b) The cost and market value of investments in quoted securities as at 30 September 2007 were as follows:

	RM'000
(i) at cost	6,368
(ii) at book value	6,368
(iii) at market value	16,410

B8 Status of corporate proposals

Save as disclosed below, there were no announcements of any corporate proposals which have not been completed as at the date of this report.

On 20 April 2006 the Company announced to Bursa Malaysia that it proposed to undertake the private placement of up to 10% of the existing issued and paid-up share capital of the Company. The proposed private placement was approved by the Securities Commission ("SC") on 7 June 2006. On 19 June 2007 the SC granted an extension of time to the Company of six (6) months from 8 June 2007 to 7 December 2007 for the implementation of the Private Placement. The Board has decided that, in view of the current market situation, the Company will not seek any further extension.

B9 Group Borrowings and Debt Securities

The Group's borrowings as at 30 September 2007 were as follows:

Short Term – secured	RM'000
Overdrafts	46,377
Revolving credits/Short term loan	163,782
Bills payable	16,016
Total borrowings	<u>226,175</u>

Currencies in which total borrowings are denominated:

	RM'000
-Ringgit Malaysia	168,323
-USD	57,852
	<u>226,175</u>

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B10 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at 30 September 2007.

B11 Changes in Material Litigation

Changes in material litigation since the last audited financial statements for the year ended 31 March 2007 are as follows:-

An action has been brought against one of the Company's subsidiaries, Kejuruteraan Bintai Kindenko Sdn Bhd ("KBK") by Malayan Banking Berhad ("MBB") as the fourth defendant of the suit for an amount totaling RM19,108,051.18 in relation to a notice of assignment of contract proceeds payable by KBK to a sub-contractor in favour of MBB. MBB has filed a summary judgment application for that sum and the application is scheduled to be heard on 14 December 2007. KBK denies the amount claimed by MBB.

An action has been brought against KBK by Asie Sdn Bhd ("Asie") claiming that KBK provide two maintenance bonds amounting in aggregate to RM2.5 million in respect of a contract. KBK has filed its statement of defence and counterclaim for an amount of RM625,000. Through the counterclaim KBK denies that Asie is entitled to the maintenance bonds. No court date has been set.

An action has been brought by KBK against Asie for an injunction in relation to a demand made by Asie on a maintenance bond, provided by KBK to Asie in accordance with another contract, for an amount of RM2.3 million. The court awarded KBK an ex-parte injunction on 6 September 2007 and an inter parte hearing is scheduled to be heard on 26 November 2007.

B12 Dividend

No interim dividend is being declared for the quarter under review (FY 2007: Nil).

B13 Loss per share

Basic loss per share

Basic loss per share of the Group is calculated by dividing the net loss attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

	Current quarter ended 30.9.2007	Cumulative Year To Date 30.9.2007
Net loss attributable to ordinary equity holders (RM)	(4,660,000)	(6,033,000)
Weighted average number of ordinary shares in issue	103,889,253	103,889,253
Basic loss per share (sen)	(4.49)	(5.81)

BINTAI KINDEN CORPORATION BERHAD

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Interim Financial Statements for Quarter Ended 30 September 2007**B13 Loss per share (Con't)*****Diluted loss per share***

The calculation of diluted loss per share is consistent with the calculation of basic loss per share while giving effect to all dilutive potential ordinary shares arising from share options that were outstanding during the period.

	Current quarter ended 30.9.2007	Cumulative Year To Date 30.9.2007
Net loss attributable to ordinary equity holders (RM)	(4,660,000)	(6,033,000)
Weighted average number of ordinary shares in issue	103,889,253	103,889,253
Effect of dilution: Share options	-	-
Adjusted weighted average number of ordinary shares in issue and issuable	103,889,253	103,889,253
Diluted loss per share (sen)	(4.49)	(5.81)

B14 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 21 November 2007

By Order of the Board

Low Siok Heong
Lim Jong Joan
Joint Secretaries
Kuala Lumpur

21 November 2007