

**BINTAI KINDEN CORPORATION BERHAD**

(Company No. 290870-P)

**Interim Financial Statements for Quarter Ended 31 December 2007****Condensed Consolidated Income Statement  
For Third Quarter Ended 31 December 2007**

	Quarter ended		Cumulative Year To Date	
	31.12.2007 RM'000	31.12.2006 RM'000	31.12.2007 RM'000	31.12.2006 RM'000
<b>Revenue</b>	7,755	27,181	103,366	191,048
Cost of sales	(11,083)	(20,788)	(104,210)	(168,828)
<b>Gross (loss)/profit</b>	<u>(3,328)</u>	<u>6,393</u>	<u>(844)</u>	<u>22,220</u>
Other operating income	1,252	293	3,410	885
Operating expenses	(4,156)	(4,253)	(20,253)	(14,337)
Gain on disposal of investment	77	-	8,913	-
	<u>(6,155)</u>	<u>2,433</u>	<u>(8,774)</u>	<u>8,768</u>
Finance costs	(1,589)	(688)	(5,115)	(4,615)
Share of results of associates	-	-	-	-
(Loss)/Profit before taxation	<u>(7,744)</u>	<u>1,745</u>	<u>(13,889)</u>	<u>4,153</u>
Taxation	(46)	(1,508)	(205)	(3,129)
<b>(Loss)/Profit for the period</b>	<u><u>(7,790)</u></u>	<u><u>237</u></u>	<u><u>(14,094)</u></u>	<u><u>1,024</u></u>
<b>Attributable to:</b>				
Equity holders of the Company	(7,596)	237	(13,629)	1,024
Minority interests	(194)	-	(465)	-
	<u><u>(7,790)</u></u>	<u><u>237</u></u>	<u><u>(14,094)</u></u>	<u><u>1,024</u></u>
<b>(Loss)/Earnings per share attributable to ordinary equity holders of the parent:</b>				
Basic (sen)	(7.31)	0.23	(13.12)	0.99
Diluted (sen)	(7.31)	0.23	(13.12)	0.99

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 31 December 2007****Condensed Consolidated Balance Sheet as at 31 December 2007**

	<b>Unaudited as at 31.12.2007 RM'000</b>	<b>Audited as at 31.3.2007 RM'000</b>
<b>Non Current Assets</b>		
Property, plant and equipment	7,320	7,686
Investment properties	9,076	9,089
Prepaid lease payments	601	607
Quoted investments	6,368	10,329
Other investments	4,015	4,015
Long term receivable	57,215	17,991
Deferred tax assets	3	3
	<u>84,598</u>	<u>49,720</u>
<b>Current Assets</b>		
Property development costs	2,025	24
Inventories	2,258	2,423
Receivables	288,526	407,863
Non-current assets held for sale	1,312	1,955
Tax recoverable	4,447	7,456
Cash and bank balances	27,461	50,698
	<u>326,029</u>	<u>470,419</u>
<b>Current Liabilities</b>		
Provision for warranty	988	702
Payables	169,426	203,251
Borrowings	140,812	210,985
Hire purchase payables	766	564
Provision for taxation	254	547
	<u>312,246</u>	<u>416,049</u>
<b>Net Current Assets</b>	13,783	54,370
<b>Less: Non-Current Liabilities</b>		
Borrowings	(21,337)	(12,172)
Hire purchase payables	(511)	(1,230)
	<u>76,533</u>	<u>90,688</u>
<b>Equity</b>		
Share capital	103,889	103,889
Share premium	1,142	1,142
Less: Treasury shares	(3,460)	(3,404)
Foreign currency reserve	(36)	(31)
Accumulated losses	(25,450)	(11,821)
<b>Total Equity attributable to equity holders of the Company</b>	<u>76,085</u>	<u>89,775</u>
<b>Minority interest</b>	448	913
<b>Total equity</b>	<u>76,533</u>	<u>90,688</u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	0.73	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 31 December 2007****Condensed Consolidated Statement of Changes In Equity For The Nine Months Ended 31 December 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		
<b>As at 1 April 2007</b>	103,889	1,142	(3,404)	-	(31)	(11,821)	89,775	913	90,688
Foreign exchange differences recognised directly in equity:	-	-	-	-	(5)	-	(5)	-	(5)
Purchase of treasury shares	-	-	(56)	-	-	-	(56)	-	(56)
Net loss for the period	-	-	-	-	-	(13,629)	(13,629)	(465)	(14,094)
<b>As at 31 December 2007</b>	<b>103,889</b>	<b>1,142</b>	<b>(3,460)</b>	<b>-</b>	<b>(36)</b>	<b>(25,450)</b>	<b>76,085</b>	<b>448</b>	<b>76,533</b>
<b>As at 1 April 2006</b>									
- 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	-	-	-
<b>As restated at 1 April 2006</b>	<b>103,889</b>	<b>1,142</b>	<b>(3,403)</b>	<b>-</b>	<b>(103)</b>	<b>(12,304)</b>	<b>89,221</b>	<b>730</b>	<b>89,951</b>
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
<b>As at 31 March 2007</b>	<b>103,889</b>	<b>1,142</b>	<b>(3,404)</b>	<b>-</b>	<b>(31)</b>	<b>(11,821)</b>	<b>89,775</b>	<b>913</b>	<b>90,688</b>

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.

**Interim Financial Statements for Quarter Ended 31 December 2007**

**Condensed Consolidated Cash Flow Statement For The Nine Months Ended 31 December 2007**

	<b>Nine months ended 31.12.2007 RM'000</b>	<b>Nine months ended 31.12.2006 RM'000</b>
<b>Cash Flow from Operating Activities</b>		
(Loss)/Profit before taxation	(13,889)	4,153
Adjustments for non-cash items	(5,392)	4,654
<b>Operating cash flow before changes in working capital</b>	<u>(19,281)</u>	<u>8,807</u>
Net change in current assets	33,354	19,107
Net change in current liabilities	1,643	(59,892)
Interest paid	(5,101)	(4,598)
Income tax refund/(paid)	2,795	(3,133)
<b>Net cash generated from/(used in) operating activities</b>	<u>13,410</u>	<u>(39,709)</u>
<b>Cash Flow from Investing Activities:</b>		
Interest received	264	239
Purchase of treasury shares	(56)	-
Proceeds from disposal of property, plant and equipment	1	773
Proceeds from disposal of quoted investment	13,532	-
Purchase of property, plant and equipment	(397)	(2,790)
<b>Net cash generated from/(used in) investing activities</b>	<u>13,344</u>	<u>(1,778)</u>
<b>Cash Flow from Financing Activities:</b>		
Fixed deposits at call with financial institutions	-	1,464
Proceeds from bank borrowings	27,971	130,414
Repayment of bank borrowings	(57,033)	(124,033)
Repayment to hire purchase creditors	(511)	-
<b>Net cash (used in)/generated from financing activities</b>	<u>(29,573)</u>	<u>7,845</u>
Exchange differences on translation of the financial statements of foreign entities	(10)	12
<b>Net decrease in cash and cash equivalents</b>	<u>(2,829)</u>	<u>(33,630)</u>
Cash and cash equivalents at beginning of financial period	<u>(20,954)</u>	<u>(5,834)</u>
<b>Cash and cash equivalents at end of financial period</b>	<u>(23,783)</u>	<u>(39,464)</u>
<b>Represented by:</b>		
Cash and bank balances	27,461	20,389
Overdrafts	(51,244)	(54,681)
Less: Deposits pledged with financial institutions	-	(5,172)
	<u>(23,783)</u>	<u>(39,464)</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.

# **BINTAI KINDEN CORPORATION BERHAD**

(Company No. 290870-P)

## **Interim Financial Statements for Quarter Ended 31 December 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.

**BINTAI KINDEN CORPORATION BERHAD**

(Company No. 290870-P)

**Interim Financial Statements for Quarter Ended 31 December 2007****A7 Debt and equity securities**

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 nine months ended 31 December 2007 is as follows:

	<b>Specialised electrical and mechanical engineering services RM'000</b>	<b>Turnkey, infrastructure, civil and structural RM'000</b>	<b>Property holding and development RM'000</b>	<b>Investment holding and others RM'000</b>	<b>Total RM'000</b>
<b><u>Operating Revenue</u></b>					
Operating revenue	49,876	53,248	-	242	103,366
<b><u>Results</u></b>					
Segment results	(11,247)	(7,039)	(163)	9,675	(8,774)
Finance costs					(5,115)
Loss from ordinary activities before taxation					(13,889)
Taxation					(205)
Loss for the period					(14,094)

**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.

**BINTAI KINDEN CORPORATION BERHAD**

(Company No. 290870-P)

**Interim Financial Statements for Quarter Ended 31 December 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 31 December 2007 the contingent liabilities of the Group and the Company were as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
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 31 December 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.

<b>Nature of the transactions</b>		<b>Current quarter ended 31.12.2007 RM'000</b>	<b>Cumulative year to date 31.12.2007 RM'000</b>
<u>Paid/payable</u>			
OPKH	Rental	114	211
LBC	Rental	-	126
LBC	Staff secondment	-	113
LBC	Contract fees & purchase of materials	57	110
MAED	Contract fees and purchase of materials	-	708
<u>Received/receivable</u>			
MAED	Contract fees and purchase of materials	9	260
BKE	Rental	-	18
BKE	Provision of working capital	123	479
eGames	Rental	-	40
eGames	Purchase of materials	-	10
KC	Contract fees	-	10
LBC	Contract fees & purchase of materials	2	52

**Interim Financial Statements for Quarter Ended 31 December 2007**

**Additional information required by the listing requirements of Bursa Malaysia**

**B1 Review of performance**

The Group posted a turnover of RM7.755 million for the third quarter compared to RM27.181 million in the corresponding period of the previous financial year. Loss before tax was RM7.744 million for the third quarter compared to profit before tax of RM1.745 million recorded in the corresponding period of the previous financial year. The reduction in turnover reflects the continuing completion of contracts and, in consequence, a lower level of activity. The loss for the current quarter was attributable to the continuing finalisation of results of completed contracts and reflects the escalation in material prices and other cost overruns.

**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 RM7.755 million and RM1.744 million respectively for the third quarter compared to a turnover and pre-tax loss of RM43.340 million and RM4.733 million respectively for the preceding quarter. The decrease in turnover and increase in pre-tax loss for the current quarter were mainly attributable to the reduced level of activity following completion of a number of projects and to further losses arising on finalisation of results of completed projects in the quarter.

**B3 Prospects**

The management are focusing their efforts in securing new large projects domestically as well as from abroad, although the market continues to be challenging. With substantial new projects in prospect the Board believe future prospects are satisfactory.

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

Not applicable.

**B5 Taxation**

Taxation for the nine-months period ended 31 December 2007 of RM0.205 million comprises wholly current taxation. There is no deferred taxation.

The tax charge for the year to date arises in respect of income in a subsidiary not relieved by losses in the rest of the group.

**B6 Sales of unquoted investments**

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



**Interim Financial Statements for Quarter Ended 31 December 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:

	<b>Current quarter ended 31.12.2007 RM'000</b>	<b>Cumulative year to date 31.12.2007 RM'000</b>
Cost of disposals	-	3,962

(b) The cost and market value of investments in quoted securities as at 31 December 2007 were as follows:

	<b>RM'000</b>
(i) at cost	6,368
(ii) at book value	6,368
(iii) at market value	11,615

**B8 Status of corporate proposals**

There were no announcements of any corporate proposals which have not been completed or cancelled as at the date of this report.

**B9 Group Borrowings and Debt Securities**

The Group's borrowings as at 31 December 2007 were as follows:

<b>Current – secured</b>	<b>RM'000</b>
Overdrafts	51,244
Revolving credits/Short term loan	79,528
Bills payable	10,040
	<u>140,812</u>
<b>Non-current - secured</b>	
Revolving credits/Short term loan	<u>21,337</u>
<b>Total borrowings</b>	<u><u>162,149</u></u>
<b>Currencies in which total borrowings are denominated:</b>	
	<b>RM'000</b>
-Ringgit Malaysia	162,149
-USD	-
	<u><u>162,149</u></u>

## **BINTAI KINDEN CORPORATION BERHAD**

(Company No. 290870-P)

### **Interim Financial Statements for Quarter Ended 31 December 2007**

#### **B10 Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risk as at 31 December 2007.

#### **B11 Changes in Material Litigation**

Save as disclosed below, there have been no changes in material litigation since the last audited financial statements for the year ended 31 March 2007:-

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 totalling 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 29 February 2008. KBK denies the amount claimed by MBB and has filed a stay of proceedings pending arbitration between KBK and the sub-contractor which will also be heard on 29 February 2008.

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 filed its statement of defence and counterclaim on 7 September 2007, for an amount of RM625,000, on the basis that Asie had breached its trustee duties by not releasing one half of the retention sum amounting to RM625,000. Through the counterclaim KBK denies that Asie is entitled to the maintenance bonds. Asie further filed an Order 14 Summary Judgment application on 21 December 2007. The dates have not been fixed for the Summary Judgment application or the main suit.

An action has been brought by KBK against Asie by an application for an interim injunction in relation to a demand made by Asie on a maintenance bond, provided by KBK to Asie in accordance with a contract. The demand made by Asie was for an amount of RM2.3 million. The court awarded KBK an ex-parte injunction on 6 September 2007. Subsequently an inter parte hearing for the said matter was heard on 26 November 2007 when the Court dismissed the ex-parte injunction. The date for the hearing of the main suit has been fixed for 8 April 2008.

#### **B12 Dividend**

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

**Interim Financial Statements for Quarter Ended 31 December 2007**

**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.

	<b>Current quarter ended 31.12.2007</b>	<b>Cumulative year to date 31.12.2007</b>
Net loss attributable to ordinary equity holders (RM)	(7,596,000)	(13,629,000)
Weighted average number of ordinary shares in issue	103,889,253	103,889,253
Basic loss per share (sen)	(7.31)	(13.12)

***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.

	<b>Current quarter ended 31.12.2007</b>	<b>Cumulative year to date 31.12.2007</b>
Net loss attributable to ordinary equity holders (RM)	(7,596,000)	(13,629,000)
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)	(7.31)	(13.12)

**BINTAI KINDEN CORPORATION BERHAD**

(Company No. 290870-P)

**Interim Financial Statements for Quarter Ended 31 December 2007**

**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 28 February 2008

By Order of the Board

Low Siok Heong  
Lim Jong Joan  
Joint Secretaries

Kuala Lumpur

28 February 2008