



**Bintai Kinden
Corporation Berhad**
(Company No. 290870-P)

Bintai Kinden Group (Bintai), was originally birthed from a joint venture between local engineers and the Kinden Corporation of Japan. From humble beginning, Bintai has gone from strength to strength from a specialist in mechanical and electrical engineering, the Group has evolved into an engineering procurement, construction and turnkey developer. Our services include:

- Turnkey Project Management
- Electrical Services
- Mechanical Services
- Power Generation
- Civil & Structural
- Infrastructure and Housing
- Facilities Management

We are proud of our involvement in numerous prestigious projects such as:

- Kuala Lumpur City Centre
- KLIA Main Terminal Building
- Labuan Financial Park
- Port of Tanjung Pelepas

OUR CHARTER: -

We aim to provide total satisfaction to consumers through high quality workmanship and services by consistently applying the highest level of technological know-how, quality management and management standards.

In essence, our aim is to consistently live up to our guarantee on responsibility for safety and quality of projects delivered.

In pursuit of our aim, we will strive to inculcate among our staff a progressive, trustworthy, honest and positive attitude. At the same time provide them the best possible workplace with an excellent, safe and pleasant environment that makes work enjoyable and rewarding.

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Unparalleled dynamism for UNLIMITED EXPANSION

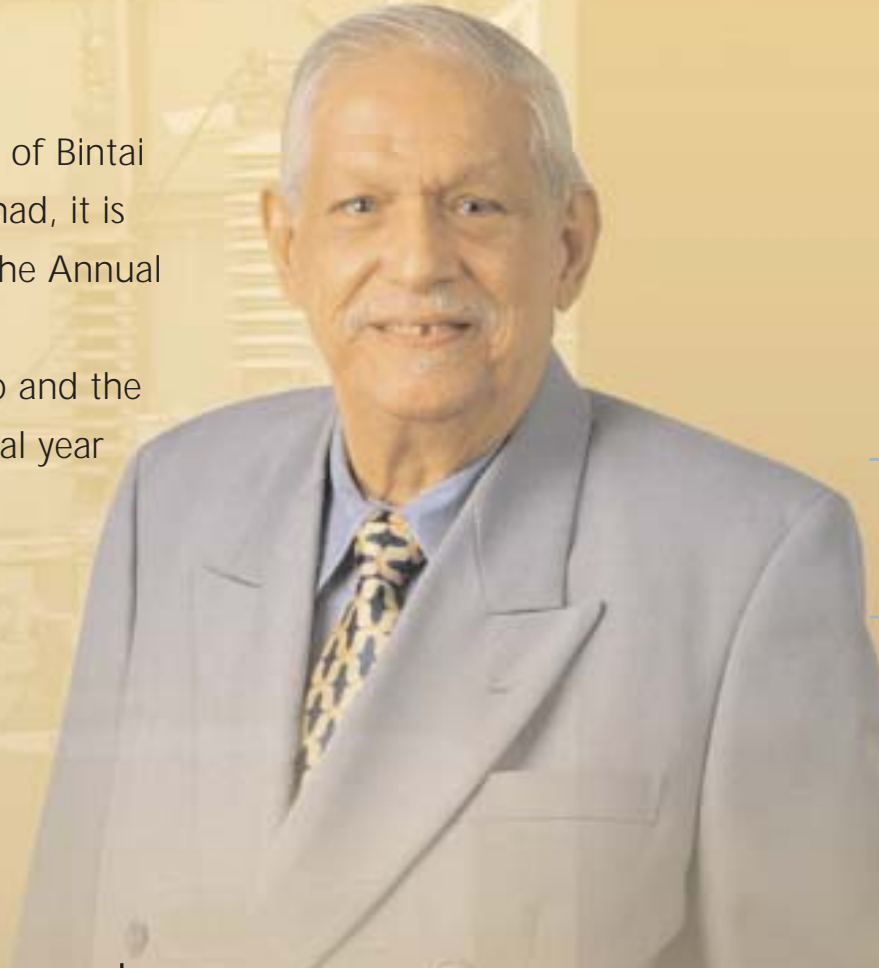
In order to expand and grow significantly and constantly, it is vital that the Company possesses a strong, dynamic workforce that is dedicated towards achieving the Company's aims. Through the strengths of its personnel, Bintai Kinden is able to fulfill its objectives and prepare itself for much-deserved expansion.



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" On behalf of the Board of Bintai Kinden Corporation Berhad, it is my pleasure to present the Annual Report and the Financial Statements of the Group and the Company for the financial year ended 31 March 2004."



Chairman's Statement

Brief Economic Review

The local economic outlook for 2004 is envisaged to be favourable with Gross Domestic Product expected to grow at a higher rate than the initial forecast of 6.5% for this year. Latest economic indicators showed that the economy experienced a higher than expected growth at 7.6% for the first quarter and if it continues to register a high growth rate for the next quarter, then the economic conditions will be better this year, according to our Prime Minister Datuk Seri Abdullah Ahmad Badawi after opening the 58th Annual General Meeting ("AGM") of the Associated Chinese Chambers of Commerce and Industry of Malaysia.

The Government announced during the 2004 Budget in September 2003 that the economy was likely to grow by 6% to 6.5%. The growth of our economy in 2004 was remarkable because the Government was committed to maintaining strong fiscal discipline with a view to balancing the budget.

The property sector is expected to benefit from the economic growth coupled with the incentives offered to the residential property sector under the Government stimulus package in May 2003, the current low interest rate regime as well as the rising per capita income. The construction sector is expected to register a growth of 2.6% in 2004 driven by the support of the promising property sector, in particular the residential sector, as well as on-going public and privatised infrastructure projects.

Financial Results

Although faced with a challenging economic climate during the financial year under review, the Group achieved a higher turnover of RM382 million compared to the previous financial year of RM154 million, representing an improvement of 148%. The Group recorded a significant improvement in profit before taxation of RM5 million as compared to the preceding financial year's loss of RM442,000. The better performance achieved this year was attributable to the commencement of new projects, profit recognition on several mechanical and electrical services projects in progress and gains from disposals of investments. This improvement was however partially offset by the need to provide against a debt which became doubtful of full recovery during the year.



Langkawi Harbour Park Valley & Marina

Dividend

The Board has recommended a higher final dividend of 1.5 sen gross per share, less income tax, against a final dividend of 1.0 sen gross per share last year. Subject to shareholder approval at the forthcoming AGM, the total dividend payable for the financial year ended 31 March 2004 will be RM1,111,000 (2003 : RM742,000). No interim dividend has been paid or declared for the financial year ended 31 March 2004 (2003 : nil).

Review Of Operations

The Group has concentrated on further enhancement of its leading flagship core activities of mechanical and electrical services. During the financial year, the Group secured several such projects, which contributed to the improvement in this year's results. The Group's significant projects, including East Malaysia Hospitals, Stage 1 of Assunta Hospital, Langkawi Harbour Park Valley & Marina, the 5-Star International Hotel K-5, Hanoi, Vietnam and the proposed new MLNG Office Annex Building at Bintulu Sarawak, made substantial progress and contributed to the higher revenue and gross profit.



Langkawi Harbour Park Valley & Marina

During the financial year, the Group launched Phase 2A of our Sentul Perdana project, the response to which was excellent with 100% taken up as sales. The launch of Phase 4 at the end of May, 2004 continued the success with its attractive pricing and strategic location, supported by the existing basic amenities and good infrastructure and we have successfully sold 70% of the properties.

The turnkey new housing project at Sri Rampai is now in an advanced stage of construction with completion scheduled for December 2004.

In addition, we also secured Sri Rampai Phase 2 and the project will commence this year.

The above mentioned projects are expected to contribute positively to the Group's overall earnings for the current financial year.

Corporate Development And Changes In The Composition Of The Group

During the financial year, the Company subscribed for a rights issue of 21,952,000 ordinary shares of S\$0.05 each in MAE Engineering Ltd ("MAE"), on the basis of seven (7) new ordinary shares for every five (5) existing shares held, at an issue price of S\$0.05 per share. In addition, the Company also subscribed for the excess shares of 1,480,445 ordinary shares of S\$0.05 each in MAE at an issue price of S\$0.05 per share. As a result, the shareholding of the Company in MAE has been increased from 10.10% to 10.49%.

The Group also finalized a restructuring exercise during the financial year to streamline all the immovable assets or properties of the Group by transferring some of the properties from Kejuruteraan Bintai Kinden Sdn Bhd, a wholly owned subsidiary company to Bintai Kinden Property Sdn Bhd, another wholly owned subsidiary of the Company, at the total consideration sum of RM7,383,606, satisfied by the issuance of 7,383,606 ordinary shares of RM1.00 each, credited as fully paid-up in the capital of the company. The restructuring exercise has no effect on the effective equity interest of the Company to Bintai Kinden Property Sdn Bhd, but resulted in Bintai Kinden Property Sdn Bhd becoming the direct subsidiary of Kejuruteraan Bintai Kinden Sdn Bhd.



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In December, 2003, the Group increased its investment in Landas Timur Sdn Bhd ("LTSB") by acquiring six (6) ordinary shares of RM1.00 each in LTSB for a total cash consideration of RM6.00, resulting in a total equity holding of 100% in LTSB. LTSB is expected to venture into building and construction and project management.

The Group also benefited from the disposal of 1,150,000 shares held in Terra ICT (M) Sdn Bhd for a total cash consideration of RM3,450,000 resulting in the shareholding in Terra ICT (M) Sdn Bhd being reduced to 17.12% and the divestment of Mostrans Pte Ltd for a total cash consideration of S\$1,500,000. The gains on these disposals contributed to this year's results.

The Company subscribed for Redeemable Convertible Loan Stock ("RCLS") issued by its Singapore subsidiary with an aggregate principal amount of S\$ 5 million. The funds raised will strengthen the balance sheet and working capital position of the Singapore subsidiary. The subscription of the RCLS does not affect the equity interest of the Company in the Singapore subsidiary.

During the financial year end, the Company purchased from the open market a total of 1,009,000 of its own shares for RM2,031,000 or at an average price of RM2.01 per share. All the shares purchased are held as treasury shares.

Future Prospects

The Malaysian economy is expected to remain favourable in 2004 although the earlier part of the year saw copper, steel and oil prices spiking upwards but with proper Government intervention the situation has stabilized although at the cost of disruption in supplies. The Singapore economy remains weak.

Barring any unforeseen circumstances, the Board of Directors is of the opinion that with the substantial and profitable contracts in hand, the coming year's results should continue to improve as some of the projects are completed.

Acknowledgment

On behalf of the Board, I would like to extend our gratitude to YB Dato' Hamzah bin Zainudin and Mr. Kenji Tamura who resigned from the Board on 6 January 2004 and 26 May 2004 respectively for their contributions to the Group. A special thank you to Mr. Kenji Tamura who has served on the Board since the Company was listed.

In addition, I wish to place on record my appreciation to the management and staff for their loyalty and dedication. I also wish to express my sincere gratitude to my fellow directors for their invaluable advice and guidance during the financial year.

I wish to thank all our business associates, clients, bankers and shareholders for their continuing support and confidence in the Group.

Last but not least, I wish to welcome Mr. Goh Kong Teng, appointed as an Executive Director in August 2003, Wan Mohd Shukri bin Dato' Ariffin, appointed as an Independent non-Executive Director in February 2004, and Mr. Shinichi Kotoku who assumed duties on 26 May 2004 as a non-Executive Director.

Syed Ahmad bin Abu Bakar
Acting Chairman

30 June 2004



West Lake project



Community Hall

benefited from our various programmes. There are two (2) training centers in Kuala Lumpur and Terengganu.

In conjunction with our Muhibbah Gathering at Anjung Villa Club House, the Group took the initiative to host the gathering with an objective to foster a greater community spirit in a harmonious and muhibbah way and further enhance the rapport between the staff and the residents of Bandar Baru Sentul. Fifty orphans from Persatuan Kebajikan Keluarga Seri Tanjung, Wilayah Persekutuan benefited from the occasion.

Social Responsibility

The Group continued to play its role as a caring and responsible corporate citizen by contributing generously towards community services and sponsorship programmes.

The Group has set up Bintai Kinden Education Sdn Bhd ("BKE") to provide technical training, both theory and practical. Since its incorporation in 1999, BKE has trained more than 100 students who have subsequently found gainful employment in the industry. Sponsorship was extended to the needy. The poor and needy have



Education Fair

Bagi pihak Lembaga Pengarah Bintang Kinden Corporation Bhd, dengan sukacitanya saya membentangkan Laporan Tahunan dan Penyata Kewangan Kumpulan dan Syarikat bagi tahun kewangan berakhir 31 Mac 2004.

Ulasan Ringkas Ekonomi

Suasana ekonomi bagi tahun 2004 diramal menggalakkan dengan Keluaran Kasar Dalam Negeri (KDNK) dijangka tumbuh pada kadar yang lebih tinggi daripada unjuran awal sebanyak 6.5% bagi tahun ini. Penunjuk ekonomi terkini menunjukkan bahawa ekonomi negara menikmati pertumbuhan yang lebih tinggi daripada jangkaan awal dengan pertumbuhan sebanyak 7.6% bagi suku tahun pertama. Jika pertumbuhan ini terus mencatatkan kadar yang lebih tinggi dalam suku tahun berikutnya, maka suasana ekonomi akan bertambah baik bagi tahun ini, menurut ucapan Perdana Menteri Datuk Seri Abdullah Ahmad Badawi selepas merasmikan majlis pembukaan Mesyuarat Agung Tahunan Gabungan Dewan Perniagaan dan Industri Cina Malaysia ke-58.



Pusat Budi penyayang

Semasa pembentangan Belanjawan 2004 dalam bulan September 2003, kerajaan mengumumkan ekonomi negara mungkin mengalami pertumbuhan sebanyak 6% hingga 6.5%. Pertumbuhan yang pesat ini merupakan hasil komitmen Kerajaan mengekalkan dasar fiskal seimbang dalam belanjawan negara.

Sektor hartanah dijangka dapat menerima manfaat daripada pertumbuhan ekonomi dengan insentif yang ditawarkan kepada sektor hartanah perumahan di bawah pakej rangsangan kerajaan dalam bulan Mei 2003, kadar faedah pinjaman semasa yang rendah dan peningkatan dalam pendapatan per kapita. Sektor pembinaan pula diramalkan mencatatkan pertumbuhan sebanyak 2.6% dalam tahun 2004 yang dijana oleh sokongan sektor hartanah, terutamanya dalam sektor perumahan di samping projek infrastruktur awam dan swasta yang berterusan.

Prestasi Kewangan

Walaupun Kumpulan menghadapi iklim ekonomi yang mencabar dalam tahun kewangan yang ditinjau, Kumpulan tetap mencapai perolehan yang lebih tinggi berjumlah RM382 juta berbanding dengan perolehan sebanyak RM154 juta pada tahun kewangan lepas, iaitu penambahbaikan sebanyak 148%. Kumpulan mencatat penambahbaikan yang signifikan dalam untung sebelum cukai sebanyak RM5 juta berbanding dengan kerugian berjumlah RM442,000 pada tahun kewangan lepas. Prestasi yang jelas lebih baik ini merupakan sumbangan pelaksanaan projek baru, pengiktirafan untung untuk perkhidmatan mekanikal dan elektrik yang sedang berlangsung dan laba daripada pelupusan pelaburan. Walau bagaimanapun, penambahbaikan ini diimbangi sebahagiannya oleh keperluan menyediakan peruntukan untuk hutang ragu yang mungkin tidak dapat diperolehi sepenuhnya bagi tahun kewangan ini.

Dividen

Lembaga Pengarah mencadangkan dividen akhir kasar yang lebih tinggi pada 1.5 sen sesaham ditolak cukai pendapatan berbanding dengan dividen akhir pada 1.0 sen sesaham tahun lepas. Tertakluk kepada kelulusan pemegang saham pada Mesyuarat Agung yang akan datang, jumlah dividen belum bayar bagi tahun kewangan berakhir 31 Mac 2004 ialah RM1,111,000 (2003: RM742,000). Tiada dividen interim telah dibayar atau diisytiharkan bagi tahun kewangan berakhir 31 Mac 2004 (2003: kosong).

Prestasi Operasi

Kumpulan telah menumpukan fokusnya untuk memperbaiki aktiviti teras utamanya dalam perkhidmatan kejuruteraan mekanikal dan elektrik. Semasa tahun kewangan, Kumpulan telah memperolehi projek-projek yang menyumbang kepada penambahbaikan prestasi tahun ini. Projek-projek utama Kumpulan meliputi Hospital Malaysia Timur, Hospital Assunta peringkat 1, Pelabuhan & Pangkalan Lembah Taman Langkawi, Hotel Antarabangsa 5 Bintang K-5 di Hanoi, Vietnam dan cadangan Bangunan Annex Pejabat Baru MLNG di Bintulu, Sarawak. Semua projek ini banyak memberi peningkatan dan sumbangan kepada pencapaian hasil dan untung kasar yang lebih tinggi.

Dalam tahun kewangan, Kumpulan telah melancarkan Fasa 2A projek Sentul Perdana yang menerima sambutan cemerlang dengan 100% unit habis ditempah. Pelancaran Fasa 4 pada akhir bulan Mei 2004 meneruskan kejayaan ini dengan harga menarik dan lokasi strategik di samping sokongan kemudahan asas dan infrastruktur yang baik. Kami berjaya menjual 70% daripada unit yang dibuka untuk jualan.



Sri Rampai project in progress

Projek serah kunci perumahan baru di Sri Rampai kini berada pada tahap akhir pembinaan dengan tarikh penyempurnaannya dijangka dalam bulan Disember 2004. Kami juga telah memperolehi projek Fasa 2 Sri Rampai yang akan bermula dalam tahun ini.



Projek-projek yang dinyatakan di atas dijangka dapat menyumbang secara positif kepada perolehan keseluruhan Kumpulan untuk tahun kewangan semasa.

Perkembangan Korporat Dan Perubahan Dalam Komposisi Kumpulan

Dalam tahun kewangan ini, Syarikat melanggan terbitan hak sebanyak 21,952,000 saham biasa pada S\$0.05 sesaham dalam MAE Engineering Ltd ("MAE"), atas asas tujuh (7) saham biasa baru untuk setiap lima (5) saham sedia ada yang dipegang, pada harga terbitan S\$0.05 sesaham. Seterusnya, Syarikat juga melanggan saham lebihan sebanyak 1,480,445 saham biasa pada S\$0.05 sesaham dalam MAE, pada harga terbitan S\$0.05 sesaham. Dengan ini, milikan saham Syarikat dalam MAE telah bertambah daripada 10.10% kepada 10.49%.

Kumpulan juga menyempurnakan pelaksanaan penyusunan semula dalam tahun kewangan bagi memperkemas aset atau hartanah tetap Kumpulan dengan memindahkan sesetengah hartanah daripada Kejuruteraan Bintai Kinden Sdn Bhd, sebuah anak syarikat milik penuh Syarikat kepada Bintai Kinden Property Sdn Bhd, sebuah lagi anak syarikat milik penuh Syarikat, dengan nilai berjumlah RM7,383,606 yang dibayar dalam bentuk terbitan 7,383,606 saham biasa pada RM1.00 sesaham, dikreditkan sebagai modal berbayar penuh syarikat. Pelaksanaan penyusunan semula ini tidak memberi sebarang kesan kepada kepentingan ekuiti efektif Syarikat dalam Bintai Kinden Property Sdn Bhd, tetapi menjadikan Bintai Kinden Property Sdn Bhd sebuah anak syarikat di bawah Kejuruteraan Bintai Kinden Sdn Bhd.

Dalam bulan Disember 2003, Kumpulan telah meningkatkan pelaburannya dalam Landas Timur Sdn Bhd ("LTSB") dengan jumlah nilai sebanyak RM6.00, menjadikan milikan ekuiti kepada 100% dalam LTSB. LTSB dijangka akan menceburi bidang binaan dan pembinaan serta pengurusan projek.

Kumpulan juga menerima manfaat daripada pelupusan 1,150,000 saham dalam Terra ICT (M) Sdn Bhd berjumlah RM3,450,000 lalu menjadikan milikan saham dalam Terra ICT (M) Sdn Bhd menguncup kepada 17.12% di samping pelupusan pelaburan Mostran Pte Ltd untuk nilai sebanyak S\$1,500,000. Laba daripada semua pelupusan ini telah menyumbang kepada prestasi kewangan tahun ini.

Syarikat juga melanggan Saham Pinjaman boleh tukar boleh tebus ("SPBTBT") yang diterbitkan oleh anak syarikat Singapura dengan jumlah pokok agregat sebanyak S\$5 juta. Dana ini akan memperkukuhkan kunci kira-kira dan kedudukan modal kerja anak syarikat di Singapura. Langganan SPBTBT ini tidak mempengaruhi kepentingan ekuiti Syarikat dalam anak syarikatnya di Singapura.

Dalam akhir tahun kewangan, Syarikat membeli 1,009,000 saham milik sendiri di pasaran terbuka dengan RM2,031,000 atau pada harga purata RM2.01 sesaham. Semua saham ini dipegang sebagai saham perbendaharaan.

Prospek Masa Depan

Suasana ekonomi Malaysia dijangka terus menggalakkan dalam tahun 2004 walaupun awal tahun ini menampakkan harga kuprum, keluli dan minyak melambung tinggi tetapi campur tangan Kerajaan telah menstabilkan keadaan meskipun mengakibatkan bekalan tergendala. Di sebaliknya, ekonomi Singapura masih lemah.

Tahun 2004 akan terus menjadi tahun yang penuh dengan cabaran bagi Kumpulan. Apabila kita meninjau ke hadapan, terdapat beberapa faktor penting yang menyebabkan ketidakpastian dalam pasaran di mana Kumpulan beroperasi. Sebagai contoh, keadaan ekonomi yang kurang menentu ekoran daripada impak Perang Iraq dan amaran Badan Kesihatan Sedunia mengenai ancaman wabak Sindrom Pernafasan Akut Teruk (SARS) yang mengelubungi benua Asia.

Jika tiada aral melintang, Lembaga Pengarah berpendapat bahawa dengan adanya kontrak sedia ada yang banyak dan menguntungkan, prestasi tahun kewangan berikutnya akan bertambah baik kerana sesetengah projek akan disempurnakan kelak.

Penghargaan

Bagi pihak Lembaga Pengarah, saya ingin menyampaikan penghargaan kepada YB Dato' Hamzah bin Zainudin dan Encik Kenji Tamura yang masing-masing telah meninggalkan Lembaga pada 6 Januari 2004 dan 26 Mei 2004 atas sumbangan mereka kepada Kumpulan. Ucapan terima kasih khasnya kepada Encik Kenji Tamura yang telah berkhidmat dalam Lembaga sejak penyenaraian Syarikat.

Saya ingin merakamkan penghargaan kepada pihak pengurusan dan kakitangan atas kesetiaan dan dedikasi mereka. Saya juga ingin mengucapkan terima kasih kepada rakan pengarah atas nasihat dan tunjuk ajar mereka yang tidak ternilai sepanjang tahun kewangan ini.

Saya juga berterimakasih kepada semua rakan niaga, pelanggan, bank dan pemegang saham atas sokongan yang berterusan dan keyakinan mereka terhadap Kumpulan.

Akhir kata, saya ingin mengalu-alukan kedatangan Encik Goh Kong Teng yang telah dilantik sebagai Pengarah Eksekutif dalam bulan Ogos 2003, Encik Wan Mohd Shukri bin Dato' Ariffin yang dilantik sebagai Pengarah Bebas Bukan Eksekutif dalam bulan Februari 2004 dan Encik Shinichi Kotoku yang memulakan tugasnya pada 26 Mei 2004 sebagai Pengarah Bukan Eksekutif.

Syed Ahmad bin Abu Bakar
Pemangku Pengerusi

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Tenth Annual General Meeting of the Company will be held at Grand Prince Ballroom, Level 3, Prince Hotel & Residence Kuala Lumpur, Jalan Conlay, 50450 Kuala Lumpur on Wednesday, 25 August 2004 at 12.00 noon for the following purposes:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31 March 2004, together with the Reports of Directors and Auditors thereon. RESOLUTION 1
2. To declare a final dividend of 1.5 sen gross per share less income tax at 28% for the year ended 31 March 2004 as recommended by the Directors in their Report. RESOLUTION 2
3. To re-elect the following Directors who retire pursuant to Article 101 of the Company's Articles of Association:
 - a) Ong Puay Koon RESOLUTION 3
 - b) Peter John Farrar RESOLUTION 4
4. To elect the following Directors who retire pursuant to Article 106 of the Company's Articles of Association:
 - a) Goh Kong Teng RESOLUTION 5
 - b) Wan Mohd Shukri bin Dato' Ariffin RESOLUTION 6
 - c) Shinichi Kotoku RESOLUTION 7
5. To re-appoint the Director, Syed Ahmad bin Abu Bakar, who is over 70 years of age and retires pursuant to Section 129(6) of the Companies Act, 1965, to hold office until the next Annual General Meeting. RESOLUTION 8
6. To approve the increase and payment of Directors' fees for the year ended 31 March 2004. RESOLUTION 9
7. To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company and authorise the Directors to fix their remuneration. RESOLUTION 10



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As Special Business

8. To consider and, if thought fit, to pass the following resolutions:
 - a) Ordinary Resolution No. 1 – Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

" THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution shall not exceed 10% of the issued capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

RESOLUTION 11

b) Ordinary Resolution No. 2 – Proposed Share Buy-Back

"THAT, subject to the provisions of the Companies Act, 1965 (as may be amended, modified or re-enacted from time to time), the Company's Articles of Association, the Bursa Securities Listing Requirements and any applicable laws, rules, orders, requirements, regulations and guidelines for the time being in force or as may be amended, modified or re-enacted from time to time and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase from the market of the Bursa Malaysia Securities Berhad ("Bursa Securities") and/or hold such number of the Company's ordinary shares of RM1.00 each ("BKCB Shares") ("Proposed Share Buy-Back") as may be determined by the Directors of the Company ("Directors") from time to time through the Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company provided that the total aggregate number of BKCB Shares purchased or to be purchased pursuant to this resolution shall not exceed ten percent (10%) of the total issued and paid-up share capital of the Company and an amount not exceeding the total of the Company's latest audited retained profits of RM11,246,000 and share premium account of RM1,153,000 as at 31 March 2004, be allocated by the Company for the Proposed Share Buy-Back AND THAT in respect of each purchase of BKCB Shares, the Directors shall have the absolute discretion to decide whether such shares purchased are to be cancelled and/or retained as treasury shares and distributed as dividends or resold on the market of the Bursa Securities or subsequently cancelled AND THAT such authority shall commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting) but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provision of the guidelines issued by the Bursa Securities or any other relevant authorities AND THAT the Directors of the Company be and are hereby authorised to take all such steps to give full effect to the said Proposed Share Buy-Back and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company."

RESOLUTION 12

c) Ordinary Resolution No. 3 – Proposed Shareholders' Mandate for Recurrent Related Party Transactions

"THAT, subject to the provisions of the Companies Act, 1965 (as may be amended, modified or re-enacted from time to time), the Company's Articles of Association and the Bursa Securities Listing Requirements, approval be and is hereby given to the Company and/or its subsidiary companies to enter into all arrangements and/or transactions as set out in section 3.2 of the Circular to Shareholders dated 30 July 2004 involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the Company ("Related Parties") provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations;

- (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iv) are not to the detriment of the minority shareholder;

AND THAT such mandate shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed, or
- (ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders at a general meeting; whichever is the earlier;

AND FURTHER THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the mandate."

RESOLUTION 13

9. To transact any other business for which due notice has been given.

NOTICE OF BOOK CLOSURE FOR PAYMENT OF DIVIDEND

NOTICE IS HEREBY GIVEN that the Register of Members will be closed on 18 September 2004 to determine shareholders' entitlement to the dividend payment. The dividend if approved, will be paid on 8 October 2004 to shareholders whose names appear in the Record of Depositors on 17 September 2004.

A depositor shall qualify for entitlement to the dividend only in respect of: -

- a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 17 September 2004 in respect of ordinary transfers; and
- b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

Hew Ling Sze (MAICSA 7010381)
Secretary

Kuala Lumpur
30 July 2004

Notes :

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies to attend and vote on his behalf. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member appoints two or more proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hands of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal, or the hand of its attorney duly authorised.



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4. The Proxy Form must be deposited at the Registered Office of the Company at No. 43-0-2, Jalan 1/48A, Sentul Perdana, Bandar Baru Sentul, 51000 Kuala Lumpur not less than forty-eight (48) hours before the time fixed for the meeting or any adjournment thereof.
5. Explanatory Notes on Special Business of the Agenda 8

Ordinary Resolution No. 1 - Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

The proposed ordinary resolution no. 1 under Agenda 8, if passed, will empower the Directors to allot and issue shares in the Company up to an aggregate amount of not exceeding 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

Ordinary Resolution No. 2 - Proposed Share Buy-Back

The proposed ordinary resolution no. 2 under Agenda 8, if passed, will empower the Company to purchase its own shares up to an amount of not exceeding 10% of the issued and paid-up share capital of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

Ordinary Resolution No. 3 - Proposed Shareholders' Mandate for Related Party Transaction

The proposed ordinary resolution no. 3 under Agenda 8, if passed, will enable the Company and/or its subsidiary companies to enter into recurrent transactions involving the interest of Related Parties, which are revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

Further information on the Proposed Share Buy-Back and the Proposed Shareholders' Mandate for Recurrent Related Party Transaction are set out in the Circular to Shareholders dated 30 July 2004, enclosed together with this annual report.

Statement Accompanying Notice of Tenth Annual General Meeting

The Directors who are standing for election, re-election and re-appointment and their attendance at the four (4) Board Meetings held during the financial year were as follows:-

- i) Ong Puay Koon, attended all the four (4) Board Meetings.
- ii) Peter John Farrar, attended all the four (4) Board Meetings.
- iii) Goh Kong Teng, attended all the two (2) Board Meetings held after his appointment on 27 August 2003 during the financial year.
- iv) Wan Mohd Shukri bin Dato' Ariffin, attended the last Board Meeting held during the financial year after his appointment to the Board in that meeting.
- v) Syed Ahmad bin Abu Bakar, attended all the four (4) Board Meetings.

The Tenth Annual General Meeting will be held at Grand Prince Ballroom, Level 3, Prince Hotel & Residence Kuala Lumpur, Jalan Conlay, 50450 Kuala Lumpur on Wednesday, 25 August 2004 at 12.00 noon.

The further details of Directors who are standing for election, re-election and re-appointment are set out on pages 13 to 15 of this annual report.

BOARD OF DIRECTORS

Syed Ahmad bin Abu Bakar
Acting Chairman/Vice Chairman
Ong Puay Koon
Managing Director
Dato' Ang Liang Kim
Executive Director
Ong Choon Lui
Executive Director
Goh Kong Teng
Finance Director
Tan Hee Chai
Peter John Farrar
Teo Tong Kooi
Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali
Shinichi Kotoku
Wan Mohd Shukri bin Dato' Ariffin

AUDIT COMMITTEE

Peter John Farrar
Chairman
(Independent Non-Executive Director)

Teo Tong Kooi
Member
(Independent Non-Executive Director)

Wan Mohd Shukri bin Dato' Ariffin
Member
(Independent Non-Executive Director)

Tan Hee Chai
Member
(Non-Executive Director)

Ong Choon Lui
Member
(Executive Director)

COMPANY SECRETARY

Hew Ling Sze (MAICSA 7010381)

AUDITORS

PricewaterhouseCoopers
Chartered Accountants

SOLICITORS

Azam Lim & Pang
Advocates & Solicitors
Suite 3B-10-5
10th Floor, Block 3B
Plaza Sentral, Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur

Tay & Helen Wong
Advocates & Solicitors
Suite 505, Block F, Phileo Damansara 1
No. 9 Jalan 16/11
46350 Petaling Jaya
Selangor Darul Ehsan

REGISTERED OFFICE

No. 43-0-2, Jalan 1/48A
Sentul Perdana
Bandar Baru Sentul
51000 Kuala Lumpur
Tel: 603-4042 6233
Fax: 603-4044 8246

REGISTRAR

Tenaga Koperat Sdn Bhd
20th Floor Plaza Permata
Jalan Kampar
Off Jalan Tun Razak
50400 Kuala Lumpur
Tel: 603-4041 6522
Fax: 603-4042 6352

PRINCIPAL BANKERS

Affin Bank Berhad
AmBank Berhad
Bangkok Bank Berhad
Bank Muamalat Malaysia Berhad
Bumiputra - Commerce Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia) Berhad
United Overseas Bank Limited

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
(Formerly known as Malaysia Securities
Exchange Berhad)
Main Board



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Syed Ahmad bin Abu Bakar

Aged 80, a Malaysian, was appointed to the Board as Executive Vice Chairman on 21 October 1997 and assumed the position of acting Chairman in 2001. He began his career with the government where he served for 36 years and became the Director of National Registration Department, Sabah in 1979, a position he held until his retirement in 1982. In 1982, he established Kejuruteraan Bintai Kinden Sdn Bhd ("KBK") together with Mr. Ong Puay Koon and Kinden Corporation ("Kinden") and was appointed Chairman of KBK, a position he held since then. He has more than 21 years of experience in the field of mechanical and electrical engineering. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. Tuan Syed Ahmad was conferred the Bintang Ahli Mangku Negara (A.M.N.) by D.Y.M.M. Yang di-Pertuan Agong in 1976. He has no convictions for any offences during the past ten (10) years.

Ong Puay Koon

Aged 61, a Malaysian, has served as Chief Executive Officer and Managing Director since 21 October 1997. In 1965 he graduated with a Diploma of Electrical Engineering from Singapore Polytechnic and was admitted as an Associate Member of the Institution of Incorporated Engineers, UK in 1978. An engineer with extensive experience in Electrical and Mechanical Engineering design and construction, Mr. Ong's expertise also covers project management and project financing. In 1973, he founded Bintai Kinden (M) Sdn. Bhd. ("BKM") and successfully led the business development team. In support of the Government's goals of technology transfer, in 1982, Mr. Ong ventured with Tuan Syed Ahmad bin Abu Bakar and the Kinden Corporation of Japan, to form KBK, which subsequently led to the listing of Bintai Kinden Corporation Berhad on the Main Board of the Bursa Malaysia Securities Berhad in 1998. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company other than his son, Mr. Ong Choon Lui, who is an Executive Director of the Company. Mr. Ong does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Dato' Ang Liang Kim

Aged 56, a Singaporean domiciled in Malaysia, was appointed to the Board as Executive Director and Chief Operating Officer on 12 September 2000. He has been involved in project management since 1972 and became Engineering Manager of Contium Engineering Pte Ltd and Project Superintendent of a Canadian consulting firm. He was a Senior Manager of Bintai Kinden Pte Ltd ("BKPL") (1979 - 1988) and an Associate Director of BKM (1988). He joined KBK in July 1996 as an Executive Vice President and is currently the Director and President/Chief Executive Officer of KBK. He has more than 32 years of experience, extensive knowledge and exposure in the mechanical and electrical engineering industries. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Ong Choon Lui

Aged 32, a Singaporean, was appointed to the Board as Non-Executive Director on 2 August 2000 and assumed the position of Executive Director in September 2003. He is also a member of the Audit Committee of the Company. He obtained his Bachelor in Engineering (Honours Second Class Upper Division) from Nanyang Technological University, School of Electrical and Electronics Engineering, Singapore, in 1997 and has been a member of Institute of Electrical and Electronics Engineer, Inc. since 1997. He began his engineering profession in 1997 as an electrical engineer with Bechtel International, Inc. where he was principally involved in electrical contracting, design and research of electrical system of industrial chemical plants. He was attached with Kinden primarily to study its operations in advanced technology (2000-2001). Currently, Mr. Ong was appointed as Director of BKPL (2003) and KBK (2004). He is now overseeing the business development and operation of the Group. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company other than his father, Mr. Ong Puay Koon, who is the Managing Director and substantial shareholder of the Company. He does not have any conflict of interest with the Company and attended three (3) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Board of Directors' Profile

Goh Kong Teng

Justice of Peace, aged 59, a Malaysian, was appointed to the Board as Finance Director on 27 August 2003. He was a Fellow of the Institute of Chartered Accountants in England and Wales, United Kingdom and a member of The Malaysian Institute of Accountants and a Certified Financial Planner. He was an Audit Supervisor of Coopers & Lybrand, Jersey from 1969 to 1972. He then joined the Merchant Bank, Swiss Italian (Guernsey) Ltd (1972 to 1974) and Henry Ansbacher (C.I.) Ltd (1974 to 1976), as Chief Accountant. In 1976, Mr. Goh was the Group Accountant of Gek Poh (Holdings) Sdn Bhd. He assumed the position of Group Company Secretary in the same company in 1977. In 1983, he was promoted to Group Finance Director and Group Secretary. In 1992, he was transferred to a member company, Malaysian Mosaics Bhd, a listed company quoted on the Bursa Malaysia Securities Berhad, as the Group Finance Director and resigned in 1993. Mr. Goh then joined Lei Shing Hong Investment Ltd, a listed company quoted on the Hong Kong Stock Exchange, as Managing Director in 1993 to 1996 and General Manager, Finance and assumed the position of Chief Finance Officer for Lei Shing Hong Ltd in 1995. In 1996, Mr. Goh joined Finexco (M) Sdn Bhd as Financial Consultant and resigned in 1998. He was then appointed as Group Internal Auditor of BKCB in August 2001 and assumed the position of Financial Controller in July 2002. He was also appointed as Director of Bintai Kinden Property Sdn Bhd (2003) and KBK (2004). Mr. Goh has extensive experience in corporate finance and corporate planning. Mr. Goh does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the two (2) Board Meetings held since his appointment in the financial year. He has no convictions for any offences during the past ten (10) years.

Peter John Farrar

Aged 57, British, was appointed to the Board as an Independent Non-Executive Director on 29 August 2001. He is also Chairman of the Company's Audit Committee. He graduated from the University of Newcastle upon Tyne with a degree in economics and accounting in 1968. He is a Fellow of the Institute of Chartered Accountants of England and Wales, qualifying in 1971. He joined Price Waterhouse in the UK in 1968 as a member of the audit staff and became a partner in 1980. He was seconded to the Middle East from 1980 to 1987 and returned to London in 1987 where he was a partner in the firm's financial services audit practice. In 1996, he joined Saudi International Bank as Chief Financial Officer and was appointed a director in April 1999. He left in 2000 to join the IslamiQ Group as Chief Financial Officer, later becoming an independent consultant in the financial services industry. He is currently a Managing Director of WJB Chiltern Group plc, a London based professional services firm. He has extensive experience in international business and financial services. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.



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Teo Tong Kooi

Aged 47, a Malaysian, was appointed to the Board as an Independent Non-Executive Director on 27 November 2002. He is a member of the Audit Committee of the Company. He graduated with a BSc in Marketing Management, Master of Business Administration and Stanford University Executive Programme from the USA. He held senior management position in Deutsche Bank (M) Bhd from 1989 to 1994 as the Head of Corporate Banking. From 1994 to 2002, he was with Hong Leong Bank Bhd where he last held position was Chief Operating Officer. He was an Independent Non-Executive Director of MAE Engineering Ltd. He is currently the Managing Director of Tasek Corporation Berhad and Non-Independent Non-Executive Director of Rock Chemical Industries (Malaysia) Berhad. Save as disclosed, Mr. Teo does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Tan Hee Chai

Aged 64, a Singaporean, was appointed to the Board on 21 October 1997. He serves as a Non-Executive Director and a member of the Audit Committee of the Company. He graduated from the Singapore Polytechnic with a Professional Diploma in Accountancy, and became a member of the Australian Society of Accountants (now known as CPA Australia) on successful completion of the examinations in 1964. He also obtained an accountancy degree from the University of Singapore in 1971. He is a Certified Public Accountant of Singapore and a Fellow of CPA, Australia. He started his career as management trainee with Esso Standard and the last position he held in that group was Head of Treasury (1961 to 1966). He then moved on to be the Group Chief Accountant and Company Secretary of Metal Box Group of Companies (1966 - 1974), the Group Chief Accountant of the Sime Darby Berhad Group of Companies (1974 - 1980), the Group General Manager of Haw Par Brothers International Ltd (1980 - 1992) and the Group Executive Director of Setron (Malaysia) Berhad (1992 - 1995). He was appointed consultant to BKPL until July 1996 when he joined KBK to oversee and strengthen the finance and corporate planning functions. In 1998, Mr. Tan was appointed a director of KBK but resigned in 2000. On 1 March 2000, he was appointed director of BKPL and has been its Chairman since 10 April 2001.

Mr. Tan was appointed the Chairman of Mostrans Pte Ltd on 29 May 2000. In June 2002, he was appointed to the Board of MAE Engineering Ltd and now an Independent Non-Executive Chairman of the Audit Committee. Save as disclosed, he does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali

Aged 32, a Malaysian, was appointed to the Board on 23 June 1999. He is an Independent Non-Executive Director of the Company. He completed his degree in accounting at Edith Cowan University, Perth, Australia, in 1994 and has been a member of Australian Society of Certified Practising Accountants (now known as ASCPA Australia) since 1995. He began his accounting profession in 1994 with Price Waterhouse where he was involved in corporate finance related work. In 1997, En. Ahmad Razlan joined Artic Building and Civil Engineering Sdn Bhd, a family-owned construction company, as the Managing Director. He was Senior Manager of Business Development, Vice President, and the Head of the Internal Audit Division of Bintai Kinden Corporation Berhad (1997 - 2000). Presently, he is the Director of WAP Portal Sdn Bhd, a company involving in the business of providing wireless application protocol services. En. Ahmad Razlan also actively involves in the business of entertainment and event management where he is the Director and Chief Executive Officer of Pineapple Concerts Sdn Bhd. He does not have any conflict of interest with the Company and attended all the four (4) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

Wan Mohd Shukri bin Dato' Ariffin

Aged 48, a Malaysian, was appointed to the Board as an Independent Non-Executive Director on 25 February 2004. He is a member of the Audit Committee of the Company. He graduated from Syracuse University of New York, USA with a Bachelor Science Degree in Marketing in 1984 and further his studies and obtained his Master of Business Administration majoring in International Management from the Golden Gate University of San Francisco, USA in 1985. He is currently the Chief Executive Officer of Pantai Medicare Sdn Bhd (since 1996), a company providing healthcare management services to corporate clients. Prior to that, he was a Director of Corporate Affairs and Human Resources of Bescorp Industries Berhad (1994 - 1997). He was also a manager of Corporate Banking at Bumiputra Merchant Bankers Berhad (1986 - 1994). At present, he is also a shareholder and director of several private companies. En. Wan Mohd Shukri does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and attended one (1) Board Meeting held since his appointment in the financial year. He has no convictions for any offences during the past ten (10) years.

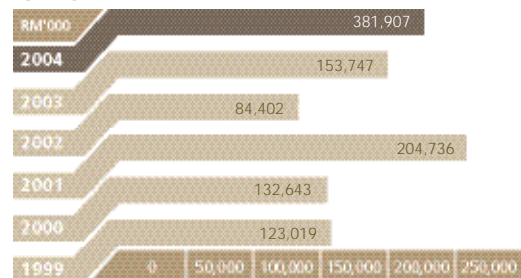
Shinichi Kotoku

Aged 43, a Japanese, was appointed to the Board as Non-Executive Director on 26 May 2004. He was previously an alternate Director to Mr. Kenji Tamura in BKCB. He graduated from Kansai University, Osaka, Japan with a Bachelor Degree in Economics in 1983. He started his career in 1983 with Kinden where he was involved in Finance and Administration Division. He was a Finance Director of PT Rakintam, Indonesia from November 1989 to March 1995. Mr. Kotoku was then appointed as Director of BKPL, in charge of Finance and Business Division in March 1995. In April 2001, he was appointed as Finance Director of PT Rakintam again and resigned in July 2002. He was appointed as Director of KBK in August 2002. He has about 22 years of experience in finance, administration and marketing in construction industry. He does not hold any other directorship in public companies and is not related to any director and/or major shareholder of the Company other than Kinden, a substantial shareholder of the Company. He does not have any conflict of interest with the Company and attended two (2) Board Meetings held in the financial year. He has no convictions for any offences during the past ten (10) years.

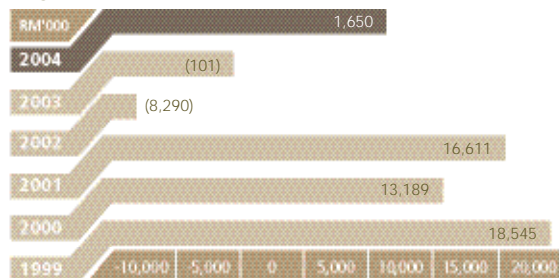
Group Financial Highlights

	2004 RM'000	2003 RM'000	2002 RM'000	2001 RM'000	2000 RM'000	1999 RM'000
	381,907	153,747	84,402	204,736	132,643	123,019
TURNOVER	5,893	(442)	(10,632)	23,423	18,637	18,545
PROFIT/(LOSS) BEFORE TAX	1,650	(101)	(8,290)	16,611	13,189	18,545
PROFIT/(LOSS) AFTER TAX	1,111	748	1,869	4,140	2,760	2,760
NET DIVIDEND PAYABLE	1.59	(0.1)	(8)	20	24	34
Earnings/(loss) per share (sen)	1.5	1.0	2.5	5.0	5.0	5.0
Dividend per share (sen)						
	109,602	110,794	113,327	121,095	109,549	99,120
SHAREHOLDERS' FUNDS	(1.08)	(2.24)	(6.41)	10.54	10.52	18.71
Compound Growth in Shareholders' Funds %						

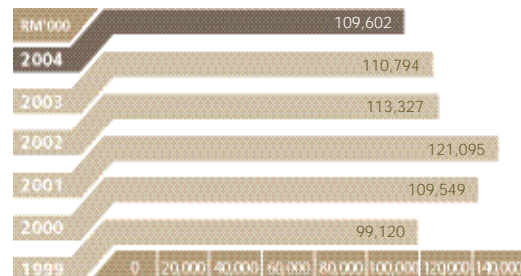
TURNOVER



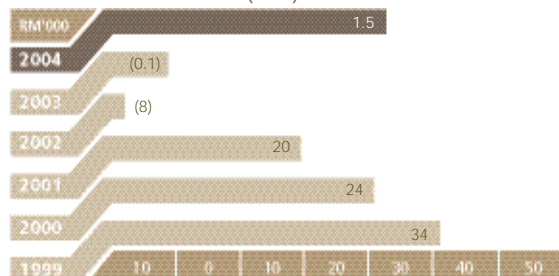
PROFIT AFTER TAX



SHAREHOLDERS' FUNDS



EARNINGS PER SHARE (SEN)



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Board Responsibilities

The Board of Directors endorses the recommendations of the Malaysian Code of Corporate Governance issued by the Finance Committee on Corporate Governance and the Bursa Securities Listing Requirements. The Board is committed to ensuring that the highest standards of corporate governance are practised throughout the Group as a fundamental part of discharging their responsibilities to protect and enhance shareholder value and the financial performance of the Group.

A. BOARD OF DIRECTORS

Composition of the Board

The Board currently has eleven members of whom four are Independent Directors, which is in excess of the Bursa Securities Listing Requirement of one-third. Together, the Directors have a wide range of business, financial and technical experience. The Executive Directors have direct responsibilities for business operations whereas Non-Executive Directors are responsible for bringing independent and objective advice and judgement and contribute to Board decisions. The mixture of skills and experience is vital for the successful direction of the Group. A brief profile of the members is presented in the Annual Report.

The Board is responsible for reviewing and adopting proposals for strategic business and action plans. The Board also oversees and reviews business operations and performance, ensuring the existence of appropriate processes and internal controls and risk management to measure and manage business risks in general and, specifically, operational, credit, market and liquidity risk.

There is a clear division of responsibility between the Chairman and Group Managing Director to ensure that there is a balance of power and authority. The Chairman is responsible for ensuring Board effectiveness whilst the Group Managing Director has overall responsibility for the operating units, organizational effectiveness and implementation of Board policies and decisions. The presence of Independent Non-Executive Directors fulfils a pivotal role in corporate accountability. Although all the directors have an equal responsibility for the Group's operations, the role of these Independent Non-Executive Directors is important as they provide unbiased and independent views, advice and judgement to take account of the interests not only of the Group, but also of shareholders, and the public at large.

Board meetings

Board meetings are held once every quarter to discuss the quarterly results and review the quarterly projected cash flow and income statements. The Board also receives reports on the progress of business operations and approves any proposals that require the Board's approval during the Board meetings. Special Board meetings are also held on an ad-hoc basis to review and approve those matters that require the Board's urgent consideration.

The attendance of the Directors at Board meetings held during the financial year ended 31 March 2004 was as follows:

Name of Directors	No. of meetings attended
Tuan Syed Ahmad bin Abu Bakar	4 out of 4
Mr. Ong Puay Koon	4 out of 4
Dato' Ang Liang Kim	4 out of 4
Mr. Ong Choon Lui	3 out of 4
Mr. Goh Kong Teng (appointed on 27 August 2003)	2 out of 2
Mr. Tan Hee Chai	4 out of 4
Mr. Peter John Farrar	4 out of 4
Mr. Kenji Tamura	2 out of 4
Mr. Shinichi Kotoku (alternate to Mr. Kenji Tamura)	2 out of 4
Mr. Teo Tong Kooi	4 out of 4
Encik Ahmad Razlan bin Tan Sri Ahmad Razali	4 out of 4
Wan Mohd Shukri bin Dato' Ariffin (appointed on 25 February 2004)	1 out of 1
YB Dato' Hamzah bin Zainudin (resigned on 6 January 2004)	3 out of 3

Supply of information

All Directors are notified of the agenda of the Board meetings and Audit Committee meetings prior to the meetings. All Directors have access to the advice and services of the Company Secretary and also independent professional advisers at the Company's expense, in furtherance of their duties.

Directors' training

All members of the Board have attended the Mandatory Accreditation Programme organized by Bursa Malaysia Training Sdn Bhd, the training arm of the Bursa Malaysia Berhad. The Directors will attend continuing education programme and seminars to keep abreast with developments in the market place.

In addition, the Directors of the Group's non-listed subsidiary companies have attended the Corporate Directors' training programme as recommended by the Companies Commission of Malaysia.

Nomination Committee

The Board discussed at their meeting on 26 May 2004 to set up a Nomination Committee. Details of those appointed will be confirmed at the Board's next meeting.

Re-election of Directors

Pursuant to Section 129(6) of the Companies Act, 1965, the Directors over the age of seventy (70) years retire at every annual general meeting and shall be eligible for re-appointment to hold office until the next annual general meeting.

In accordance with the Articles of Association of the Company, all Directors who are appointed by the Board are subject to election by shareholders at the coming annual general meeting after their appointment.

In accordance with the Articles of Association of the Company, one-third of the remaining Directors, inclusive of the Managing Director, are subject to re-election by rotation at each annual general meeting.

The Audit Committee

This is covered separately in the Audit Committee report.

Remuneration Committee

The Board determined at their meeting on 26 May 2004 to set up Remuneration Committee. Details of those appointed will be confirmed at the Board's next meeting.

Directors' remuneration

The Directors are paid annual fees and attendance allowances for each meeting they attended.



Statement on Corporate Governance

The particulars relating to the aggregate remuneration of Directors for the financial year ended 31 March 2004 are as follows:

	RM
Fees	
Non-Executive	147,000
Executive	405,000
Salary & other emoluments	
Non-Executive	141,000
Executive	2,221,000
Benefits-in-kind	
Non-Executive	-
Executive	10,000
	2,924,000

The number of Directors whose remuneration fell into the following bands are as follows:

Range of Remuneration	Non-Executive	Executive
Less than RM50,000	6	-
RM100,001 to RM150,000	-	2
RM250,001 to RM300,000	-	1
RM400,001 to RM450,000	1	-
RM550,001 to RM600,000	-	1
RM800,001 to RM850,000	-	1

B. SHAREHOLDERS

The Board recognizes the importance of transparency and accountability to its shareholders. The substantial shareholders whose shareholding exceed 5% of the paid up capital of the Company and are represented on the Board of Directors are informed of the Company's business affairs through Board meetings. There are, however, other substantial shareholders whose shareholding exceeds 5% who are not represented on the Board. The Company reaches out to its shareholders through its annual reports.

The Company's Annual General Meeting continues to be the main medium of the Company's communication with shareholders (including minority shareholders). The Quarterly Report is an additional channel to keep the shareholders informed of the progress made by the Company during the year.

The Bursa Malaysia Securities Berhad through its website at www.bursamalaysia.com publishes all the Company's announcements including a full version of the Quarterly Results announcements and the Annual Report. In addition, the Company has a website at www.bintai.com.my, that the shareholders can access for information.

C. ACCOUNTABILITY AND AUDIT

Financial reporting

The Directors present a comprehensive report of the group's financial position on a going concern basis and its prospects in compliance with the provisions of the Companies Act, 1965 and applicable approved accounting standards by the Malaysian Accounting Standards Board.

The Directors are assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of the financial reporting.

Directors' responsibilities for Financial Reporting

The Directors are responsible for ensuring that the annual financial statements of the Group are drawn up in accordance with the requirements of the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965. They are to ensure that the annual financial statements of the Group give a true and fair view of the state of affairs and cash flows of the Group as at the end of the financial year.

The Directors have applied the appropriate and relevant accounting policies consistently and supported by reasonable and prudent judgements and estimates.

Relationship with Auditors

Through the Audit Committee, the Board maintains a good working relationship with the external Auditors and ensures their independence. The Audit Committee meets with the external auditors at least twice a year to discuss the audit plan, annual financial statements and their findings. The Audit Committee also meets with the external auditors without the presence of the Executive Directors and management at least twice a year.

This statement is made in accordance with a resolution of the Board of Directors dated 26 May 2004.





Unequaled success through
THE BEST TECHNOLOGY

The Company uses only the best available technology to support its endeavours. By using the latest technologies, the Company ensures that its customers are kept abreast of the latest advancements, thus gainig their confidence and achieving immeasurable success.

INTRODUCTION

The Malaysian Code on Corporate Governance stipulates that the Board of Directors of listed companies should maintain a sound system of internal control to safeguard shareholders' investments and Group assets. The Board of Directors is pleased to provide the following statement, which outlines the nature and scope of internal control for the financial year ended 31 March 2004. This statement on internal control is made in accordance with Paragraph 15.27 (b) of Bursa Securities Listing Requirements and as guided by the Bursa Malaysia Securities Berhad ("Bursa Securities") Statement on Internal Control: Guidance for Directors of Public Listed Companies.

THE BOARD'S RESPONSIBILITIES

The Board acknowledges its responsibilities for maintaining a sound system of internal control to safeguard shareholders' interests and the Group's assets, and for reviewing the adequacy and integrity of the system. However, such a system is designed to manage the Group's risks within an acceptable tolerance, rather than to eliminate the risk of failure to achieve the business objectives of the Group. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss.

THE GROUP'S SYSTEM OF INTERNAL CONTROL

Risk Management

The Board acknowledges that effective risk management is part of good business management practice. The Risk Management Committee ("RMC") was established by the Board to oversee the overall management of principal areas of risks. With the formalization of the Risk Management Policy and practices in early 2003, the Board has established the systematic identification, assessment, treatment and monitoring of the principal risks of the Group. A database of key risks identified and related controls has been established to produce detailed risk registers for every department of the major operating subsidiary and the holding company.

During the financial year, the Chairman of RMC together with the Head of Internal Audit have reviewed and deliberated on the acceptable and unacceptable risks identified by departments with the respective departmental Vice President and Head. The unacceptable risks and mitigation strategies were further tabled to the RMC and to the Board of Directors through review by the Audit Committee.

The Board and management view Risk Management as a continuous process to identify and mitigate risks. The processes to identify and manage key risks within the Group are an integral part of the internal control environment and are continuously reviewed and improved upon.

Internal Audit Function

The Internal Audit Department monitors compliance with policies and procedures and the effectiveness of the internal control system. It highlights significant findings in respect of any non-compliance and recommends process improvements where appropriate. Control failures, weaknesses and process improvements are reported to the Audit Committee after discussion with management.

During the current financial year, the Internal Audit Department carried out the following key activities:-

- Appraised the adequacy and integrity of the internal control system of the Group.
- Appraised the effectiveness of administrative and financial controls applied and the reliability of data that is produced within the Group.
- Reviewed the data storage and data recovery system of the main operating subsidiary.
- Maintained risks database and ensured implementation of risk mitigation strategies and action plans.
- Prepared annual audit plan for Audit Committee approval.
- Conducted special reviews requested by management.



Other Risk and Control Processes

- a. An organization structure with clearly defined lines of responsibility and delegation of authority is in place.
- b. Key functions such as finance, treasury, tax, procurement and legal matters are controlled centrally.
- c. Policy guidelines and authority limits are established for Executive Directors and management within the Group in respect of day-to-day operations, acquisition and disposal of assets.
- d. Policies and procedures of all departments within the main operating subsidiary company are documented in the Departmental Operation Manual. The Manual is updated when there is revision made.
- e. Corporate values, which emphasize ethical behavior and quality of service, are set out in the Employee Handbook.
- f. The main operating subsidiary company has been accredited with ISO9002 Quality Assurance by BM Trada in year 2000 to provide quality assurance to its customers on the Mechanical and Electrical Contracting and Engineering works. Subsequently, the company has upgraded to ISO9001 : 2000 standard and further expanded the quality scope to include the Construction and Special Projects.

Internal quality audits to monitor compliance with ISO requirements are carried out according to an approved plan. Non-Conformance Reports are reviewed by a senior member of management and corrective actions are implemented.

- g. The Group has established several committees comprised of senior management to ensure effective management and supervision of the Group's business activities and operations. Each committee conducts separate meetings for the following purposes:-

- *Executive Management Committee (EMC)*

The members of EMC comprise the Executive Directors and selected Executive/Senior/Vice Presidents. Meetings are held on a monthly basis to deliberate and decide upon all operational matters that require EMC attention and approval.

- *Operations Management Committee (OMM)*

The members of OMM comprise the Executive Director and Executive/Senior/Vice Presidents of all departments. Meetings are held on a monthly basis to discuss operational matters and action plans where appropriate. The areas of discussion include operational issues related to projects i.e. work in progress, finance, procurement and manpower, risk management and any other operational matters.

- *Working Committees (WC)*

Working Committees for Finance, Procurement, Human Resource and Administration, Marketing and Estimation, and Creditors were set up during the year. These committees are chair by the Executive Director and meetings are held on a monthly basis to deliberate on departmental operational issues and action plans.

- h. Exception Project Reports are prepared on a fortnightly basis for the President of the main operating subsidiary. This report highlights key issues for senior management attention, decision for early action and close monitoring of progress.

No weaknesses have been identified or failures of control arisen which have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report.

The Group's system of internal control does not apply to associated companies or other investee companies.



CUSTOMER SATISFACTION through unrivalled quality

Bintai Kinden places particular emphasis on the safety and quality of its projects to guarantee customer satisfaction. The Company's responsibility to its customers is never taken lightly; only the highest quality projects are delivered to ensure that customers' needs are met at all times.

1. MEMBERSHIP AND MEETINGS

The Audit Committee comprises the following members and details of attendance of each member at Committee meetings held during the year are as follows:-

Composition of Audit Committee	Total meetings attended	Percentage of attendance (%)
Peter John Farrar Chairman/Independent Non-Executive Director <i>(A Fellow of the Institute of Chartered Accountants in England and Wales)</i>	4/4	100
Teo Tong Kooi Member/Independent Non-Executive Director	4/4	100
Wan Mohd Shukri Bin Dato' Ariffin Member/Independent Non-Executive Director <i>(appointed w.e.f 25 February 2004)</i>	0/0	N/A
Tan Hee Chai Member/Non-Executive Director <i>(A Fellow of The Australian Society of Certified Practising Accountants)</i>	4/4	100
Ong Choon Lui Member/Executive Director <i>(appointed w.e.f 25 February 2004)</i>	0/0	N/A
YB Dato' Hamzah bin Zainudin Member/Independent Non-Executive Director <i>(resigned w.e.f 6 January 2004)</i>	0/3	0
Secretary		
Hew Ling Sze		

Both the Finance Director (formerly the Financial Controller) and Head of Internal Audit were in attendance at each Audit Committee meeting, together with other members of management as appropriate. The External Auditors were present at certain meetings to report to the Audit Committee on their activities and other specific issues. The independent non-executive members of the Audit Committee also met with the External Auditors without management present.

2. TERMS OF REFERENCE

2.1 Objectives

The principal objectives of the Audit Committee are to provide an independent overview of the way in which the Group conducts its affairs and to ensure conformity with good corporate governance in terms of good internal controls, reliable financial information and giving additional emphasis to the audit function performed by the internal and external auditors.

It provides assistance to the Board in fulfilling its fiduciary responsibilities relating to financial accounting and reporting practices and enhances the independence of the external and internal audit functions.

The Committee seeks to create a climate of discipline and control which will reduce the opportunity for fraud; it reviews high level operational procedures and controls to ensure transparency, integrity and accountability in the conduct of the Group's activities so as to safeguard the rights and interests of the Shareholders.

2.2 Criteria for membership

- a. The Committee shall be appointed by the Board of Directors and shall consist of not less than three (3) members, the majority of whom shall be Independent Directors and no alternate Director is appointed to the Committee.
- b. The members of the Committee shall elect a Chairman from among their number who shall be an Independent Director.
- c. At least one member of the Committee must meet the criteria of an Accountant as specified by the Bursa Securities Listing Requirements Paragraph 15.10(1c).
- d. The members shall collectively have knowledge of the industries in which the Group operates.
- e. The members have the ability to read and understand financial statements, cash flow and key performance indicators.
- f. Members shall have the ability to understand key business risks as well as financial risks and related controls.

2.3 Meetings

The Committee shall meet not less than four (4) times a year. A quorum shall consist of three (3) members, with Independent Directors forming the majority. Both the Finance Director and Head of Internal Audit shall attend every meeting together with other members of management who shall be invited to attend the meetings as appropriate.

The independent director members of the Committee shall meet the external auditors without any Executive Directors or management present at least twice a year. Minutes of each meeting shall be distributed to each member of the Committee and the Board. The Chairman of the Committee shall report on each meeting to the Board. The Secretary to the Committee shall be the Company Secretary.

2.4 Authority

The Audit Committee is authorized by the Board:

- a. to review any activity of the Group within its Terms of Reference;
- b. to have access to the resources necessary to perform its duties;
- c. to have full and unrestricted access to any employee and information pertaining to the Group;
- d. to have direct communication channels with the internal and external auditors; and
- e. to obtain independent legal or other professional advice if it considers necessary.

2.5 Duties and Responsibilities

- a. To consider and recommend to the Board the appointment, resignation and / or dismissal of the External Auditors, the audit fee and any matters related thereto. To discuss the issues and recommendations arising from the interim and final audits and any matter the auditor may wish to discuss (in the absence of the management if necessary).
- b. To appoint the Head of Internal Audit; and to approve any appointment or termination of senior staff members of the Internal Audit Function. To review any appraisal or assessment of the performance of member of the Internal Audit Function and also to provide the resigning staff member an opportunity to submit reasons for resigning.



- c. To review with the External and/or Internal Auditors:-
 - the audit plan, its scope and nature.
 - the system of internal controls and its effectiveness, particularly those relating to areas of significant risks.
 - any matter arising including audit report or management letter and management response.
 - the adequacy of scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work.
 - the Internal Audit program and consider the major findings of internal audit investigations, Risk Management reports and management response thereto.
- d. To review and recommend adoption or amendment of major accounting policies, principles and practices.
- e. To review with the management and/or Internal Auditors the quarterly, half yearly and yearly unaudited financial statements of the Group and the Company before the submission to the Board, focusing particularly on:-
 - any changes in accounting policies and practices
 - major judgmental areas
 - significant adjustments
 - the going concern assumption
 - compliance with accounting standards
 - compliance with the Bursa Securities Listing Requirements and other legal requirements.
- f. To review with the external auditors the annual financial statements of the Group and the Company and directors' report, and to recommend to the Board for approval.
- g. To review related party transactions that may arise within the Group or the Company and any other major transactions outside the normal course of business of the Group and the company.
- h. To review the assistance and co-operation given by the Group's employees to the auditors.
- i. Such other matters as the Board may from time to time determine.

3. SUMMARY OF ACTIVITIES

During the financial year, the Audit Committee carried out the following activities:

3.1 Financial Results

- a. Reviewed the quarterly and half-yearly unaudited financial results of the Company and the Group with the Finance Director before recommending them for approval by the Board of Directors.
- b. Reviewed the annual audited financial statements of the Company and the Group with the external auditors prior to submission to the Board of Directors for their approval. The review was, inter-alia, to ensure compliance with:-
 - Provisions of the Companies Act, 1965;
 - Bursa Securities Listing Requirements;
 - Applicable approved accounting standards in Malaysia; and
 - Other legal and regulatory requirements.

3.2 Internal Audit

- a. Reviewed and approved the annual internal audit plan.
- b. Reviewed the internal audit reports, audit recommendations and management's response to these recommendations.
- c. Monitored the implementation of the audit recommendations through follow up audit reports to ensure that all key risks and controls have been addressed.

3.3 External Audit

- a. Reviewed with the external auditors:
 - their audit plan, audit strategy and scope of work for the year;
 - the results of the annual audit, their audit report and management letter together with management's responses to the findings of the external auditors.
- b. Evaluated the performance of the external auditors and make recommendations to the Board of Directors on their appointment and remuneration.

3.4 Risk Management

- a. Reviewed unacceptable risks affecting the established priority criteria and the related mitigation strategies.

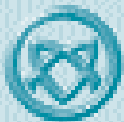
3.5 Other activities

- a. Reviewed the related party transactions entered into by the Company and the Group.
- b. Reviewed compliance with the Bursa Securities Listing Requirements.

4. INTERNAL AUDIT FUNCTION

Internal Audit Department assists the Audit Committee in the discharge of its duties and responsibilities. Its role is to provide independent and reasonable assurance that the systems of internal controls are adequate and effective.

Further details of the Internal Audit Department are set out in the Statement on Internal Control.





Setting the stage for GROWTH

In whatever technological endeavour, it is most important to establish a strong foundation. Similarly, where a company is concerned, a strong base is vital in order to guarantee its growth and progress. Fortunately, Bintai Kinden has exactly that; a solid track record and firm foundation with countless years of experience and know-how, all dedicated towards providing the best for its clients, shareholders and employees. Also, the Company's emphasis on customer satisfaction and building a responsible staff force helps further strengthen its position in the industry, thus setting the stage for its future expansion and success.

The Directors hereby submit their annual report to the members together with the audited financial statements of the Group and Company for the financial year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The principal activities of the Group are the provision of specialised services in mechanical and electrical works, construction of power plants and transmission lines, property investment and development and undertaking of turnkey construction projects. The mechanical and electrical works include designing, planning and procurement under the following five broad categories:

- electrical installations;
- mechanical installations;
- electrical power supply installations;
- instrumentation and building automation; and
- maintenance of electrical and mechanical systems.

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies.

There were no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	1,650	2,946

DIVIDENDS

The dividends paid or declared by the Company since 31 March 2003 were as follows:

In respect of the financial year ended 31 March 2003, as shown in the Directors' report for that year:

	RM'000
Final dividend of 1 sen gross per share, less income tax at 28%	748
Less: Dividend attributable to treasury shares held	(6)
Final Dividend paid on 8 October 2003	742

The Directors now recommend the payment of a final dividend of 1.5 sen gross per share, less income tax at 28% amounting in total to RM1,111,000 in respect of the financial year ended 31 March 2004, subject to the approval of members at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

REPURCHASE OF SHARES

The shareholders of the Company had, at the Ninth Annual General Meeting held on 27 August 2003, granted a mandate for the Company to purchase up to 10% of the issued and paid-up share capital of the Company. The mandate will expire at the conclusion of the forthcoming Annual General Meeting and renewal of the mandate will be sought at the forthcoming Annual General Meeting.



During the financial year, the Company repurchased 1,009,000 of its issued share capital from the open market on the Bursa Malaysia Securities Berhad (formerly known as Malaysia Securities Exchange Berhad) for RM2,031,156. The average price paid for the shares repurchased was approximately RM2.01 per share. The repurchased transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distributions are suspended. None of the treasury shares repurchased has been sold as at 31 March 2004.

At the balance sheet date, the number of outstanding shares in issue after offsetting treasury shares against equity is 102,880,253.

EMPLOYEE SHARE OPTION SCHEME

The Company implemented an Employee Share Option Scheme ("ESOS") which came into effect on 16 November 2000 for a period of five (5) years. The ESOS is governed by the by-laws which were approved by the shareholders on 24 August 2000.

The main features of the ESOS are as follows:

- (i) The total number of ordinary shares to be issued by the Company under the ESOS shall not exceed ten percent (10%) of the total issued and paid-up ordinary shares of the Company.
- (ii) The eligibility for participation in the ESOS is at the discretion of the ESOS Committee. Eligible persons are confirmed employees of the Group, including full-time Executive Directors of the Group who have been employed for at least a continuous period of one (1) year in the Group on or prior to the date of offer and for an employee serving under an employment contract, the contract term should be for a duration of at least three (3) years.
- (iii) No options shall be granted for less than one thousand (1,000) new ordinary shares or more than five hundred thousand (500,000) new ordinary shares unless so adjusted in the event of any alteration in the capital structure of the Company during the option period. The number of new ordinary shares relating to the option so far as unexercised or the option price or both may be adjusted following any alteration in the capital structure of the Company.
- (iv) The option price shall be determined by the weighted average market price of the ordinary shares of the Company for the five (5) market days immediately preceding the date of offer, or at a discount of not more than ten percent (10%) from the 5 day weighted average market price of the underlying shares at the date the option is granted.
- (v) No eligible employees of the Group may participate at any time in more than one (1) ESOS implemented by any one or more companies within the Group.
- (vi) An option granted under the ESOS shall be capable of being exercised by notice in writing to the Company commencing from the dates of the offer which included 8 January 2001, 22 January 2001 and 26 October 2001 and expiring on 15 November 2005. Exercise of the option granted shall not exceed the maximum allowable limit as follows:

Number of new shares granted pursuant to the option	Percentage of new shares in respect of which option is exercisable				
	Year 1	Year 2	Year 3	Year 4	Year 5
Below 20,000	100%	-	-	-	-
20,000 to less than 100,000	40% ¹	30%	30% ²	-	-
100,000 and above	20%	20%	20%	20%	20%

1 40% or 20,000 new shares, whichever is higher

2 30% or the remaining number of new shares under the unexercised part of the option

EMPLOYEE SHARE OPTION SCHEME (CONTINUED)

During the financial year, the movement in the options to take up unissued ordinary shares of RM1.00 each is as follows:

Option Date	Option Price	As at 1.4.2003	Granted during the financial year	Lapsed due to resignation	Exercised	As at 31.3.2004
8.1. 2001	RM3.92	5,756,000	0	0	0	5,756,000
22.1.2001	RM3.74	250,000	0	0	0	250,000
26.10.2001	RM4.41	62,500	0	0	0	62,500
		6,068,500	0	0	0	6,068,500

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the list of option holders and their holdings except for those employees who have been granted options over 220,000 and above ordinary shares of RM1.00 each pursuant to the ESOS, as follows:

Name of employee	Number of options over ordinary shares of RM1.00 each			As at 31.3.2004
	As at 1.4.2003	Granted	Exercised	
Syed Ahmad bin Abu Bakar	937,500	0	0	937,500
Ong Puay Koon	937,500	0	0	937,500
Tan Hee Chai	937,500	0	0	937,500
Dato' Ang Liang Kim	812,500	0	0	812,500
Robert Ng	277,500	0	0	277,500
Yen Yew Ming	225,000	0	0	225,000

DIRECTORS

The Directors who have held office during the period since the date of the last report are as follows:

Syed Ahmad bin Abu Bakar	
Ong Puay Koon	
Dato' Ang Liang Kim	
Ong Choon Lui	
Tan Hee Chai	
Peter John Farrar	
Teo Tong Kooi	
Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali	
Goh Kong Teng	(appointed on 27.08.2003)
Wan Mohd Shukri bin Dato' Ariffin	(appointed on 25.02.2004)
Shinichi Kotoku	(appointed on 26.05.2004)
YB Dato' Hamzah bin Zainudin	(resigned on 06.01.2004)
Kenji Tamura	(resigned on 26.05.2004)
Shinichi Kotoku (alternate to Kenji Tamura)	(resigned on 26.05.2004)

In accordance with Article 101 of the Company's Articles of Association, Ong Puay Koon and Peter John Farrar retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Article 106 of the Company's Articles of Association, Goh Kong Teng, Wan Mohd Shukri bin Dato' Ariffin and Shinichi Kotoku who were appointed during the period, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for election.

In accordance with Section 129(6) of the Companies Act, 1965, Syed Ahmad bin Abu Bakar, being over seventy years of age, retires at the forthcoming Annual General Meeting and offers himself for re-appointment to hold office until the conclusion of the next Annual General Meeting of the Company.



DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except for the options granted to certain Directors pursuant to the Company's ESOS (Note 5 to the financial statements).

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration disclosed in Note 5 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the particulars of interests of Directors who held office at the end of the financial year in shares in and options over shares of the Company are as follows:

	Number of ordinary shares of RM1.00 each			
	As at 1.4.2003 or Date of appointment	Bought	Sold	As at 31.3.2004 or Date of resignation

Shareholdings in the name of the Director

Syed Ahmad bin Abu Bakar	15,000	0	0	15,000
Ong Puay Koon	535,000	1,110,000	0	1,645,000
Dato' Ang Liang Kim	128,125	0	0	128,125
Goh Kong Teng	48,000	0	0	48,000
Tan Hee Chai	15,000	0	0	15,000
Teo Tong Kooi	200,000	0	0	200,000
Kenji Tamura	15,000	10,000	0	25,000
YB Dato' Hamzah bin Zainudin	37,500	0	0	37,500

Indirect interest by virtue of shares held by companies in which the Directors are deemed to have an interest

Syed Ahmad bin Abu Bakar	4,687,500	0	4,687,500	0
Ong Puay Koon	22,700,000	0	0	22,700,000

	Number of options over ordinary shares of RM1.00 each			
	As at 1.4.2003	Granted	Exercised	As at 31.3.2004

Shareholdings in the name of the Director

Syed Ahmad bin Abu Bakar	937,500	0	0	937,500
Ong Puay Koon	937,500	0	0	937,500
Dato' Ang Liang Kim	812,500	0	0	812,500
Tan Hee Chai	937,500	0	0	937,500

Other than disclosed above, according to the register of Directors' shareholdings, the Directors in office at the end of the financial year did not hold any interest in shares and options over shares in the Company and its related corporations during the financial year.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets of the Group and Company were made out, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business, their values as shown in the accounting records of the Group and Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group or Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group or Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group or Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors,

- (a) the results of the Group's and Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or Company for the financial year in which this report is made.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 30 June 2004.

SYED AHMAD BIN ABU BAKAR
VICE CHAIRMAN

DATO' ANG LIANG KIM
EXECUTIVE DIRECTOR

Kuala Lumpur



**Bintai
Kinden
Corporation
Berhad**
(Company No.
290870-P)

Income Statement For The Financial Year Ended 31 March 2004

	Note	Group		Company	
		2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Revenue	2	381,907	153,747	2,609	9,610
Cost of sales	2	(348,123)	(134,828)	0	0
Gross profit		33,784	18,919	2,609	9,610
Other operating income		3,007	6,574	29	0
Selling and distribution expenses		(2,103)	(138)	(20)	(8)
Administrative expenses		(29,422)	(23,338)	(2,221)	(3,175)
Other operating expenses:					
- gain/(loss) on disposal of investment		2,681	81	2,681	(3,561)
- others		(2,092)	(1,339)	(132)	(30)
Profit from operations	3	5,855	759	2,946	2,836
Finance cost	6	(637)	(561)	0	0
Share of losses of associated companies		(797)	(927)	0	0
Share of amortised goodwill arising from acquisition of associated companies		(312)	(362)	0	0
Gain on disposal of an associated company		1,784	649	0	0
Profit/(loss) from ordinary activities before tax		5,893	(442)	2,946	2,836
Tax					
- Company and subsidiary companies	7	(4,243)	(4,143)	0	(1,931)
Profit/(loss) from ordinary activities after tax		1,650	(4,585)	2,946	905
Minority interest		0	4,484	0	0
Net profit/(loss) for the financial year		1,650	(101)	2,946	905
Earnings/(loss) per share (sen)					
- basic	8(a)	1.59	(0.10)		
- diluted	8(b)	N/A	(0.10)		
Proposed dividend per share (sen)	9	1.5	1.0	1.5	1.0

Balance Sheets as at 31 March 2004

	Note	Group		Company	
		2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
NON CURRENT ASSETS					
Property, plant and equipment	11	14,581	13,754	0	0
Goodwill on consolidation	12	519	544	0	0
Investment property - at cost	13	2,784	2,784	2,784	2,784
Subsidiary companies	14	0	0	75,500	64,251
Associated companies	15	5,900	7,010	7,933	7,933
Other investments	16	19,151	18,866	18,687	16,903
Long term receivable	17	108,619	48,794	0	0
		151,554	91,752	104,904	91,871
CURRENT ASSETS					
Development property expenditure	18	33,897	5,643	0	0
Inventories	19	4,299	3,821	0	0
Receivables	20	196,221	108,415	12,233	22,033
Tax recoverable		3,086	6,653	1,196	916
Deposits, bank and cash balances	22	161,221	44,258	3,796	222
		398,724	168,790	17,225	23,171
LESS: CURRENT LIABILITIES					
Provisions	23	1,381	754	0	0
Payables	24	269,034	92,088	7,868	954
Provision for tax		1,286	1,143	0	0
Borrowings (interest bearing)	25	95,715	53,683	0	0
Hire Purchase payables	26	386	183	0	0
		367,802	147,851	7,868	954
NET CURRENT ASSETS		30,922	20,939	9,357	22,217
LESS: NON CURRENT LIABILITIES					
Provisions	23	2,160	1,286	0	0
Borrowings (interest bearing)	25	69,000	0	0	0
Hire purchase payables	26	1,714	611	0	0
		72,874	1,897	0	0
		109,602	110,794	114,261	114,088
CAPITAL AND RESERVES					
Share capital	27	103,889	103,889	103,889	103,889
Reserves		5,713	6,905	10,372	10,199
Shareholders' equity		109,602	110,794	114,261	114,088
Minority interest		0	0	0	0
		109,602	110,794	114,261	114,088



**Bintai
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Consolidated Statement of Changes in Equity for the Financial Year Ended 31 March 2004

	Note	Issued and fully paid Ordinary Shares of RM1 each		Share premium RM'000	Treasury Shares RM'000	Reserve on consolidation RM'000	Exchange reserve RM'000	Retained earnings RM'000	Total RM'000
		Number of shares '000	Nominal value RM'000						
At 1 April 2003		103,889	103,889	1,157	0	4,607	(211)	1,352	110,794
Amortisation of reserve on consolidation		0	0	0	0	(256)	0	0	(256)
Currency translation differences		0	0	0	0	0	187	0	187
Net (loss)/gain not recognised in income statement		0	0	0	0	(256)	187	0	(69)
Purchase of company's own shares		0	0	(4)	(2,027)	0	0	0	(2,031)
Net profit for the financial year		0	0	0	0	0	0	1,650	1,650
Dividend for financial year ended 31 March 2003 (paid)	9	0	0	0	0	0	0	(742)	(742)
At 31 March 2004		103,889	103,889	1,153	(2,027)	4,351	(24)	2,260	109,602

	Note	Issued and fully paid Ordinary shares of RM1 each		Share premium RM'000	Reserve on consolidation RM'000	Exchange reserve RM'000	Retained earnings RM'000	Total RM'000
		Number of shares '000	Nominal value RM'000					
At 1 April 2002		103,714	103,714	646	4,863	(602)	4,706	113,327
Amortisation of reserve on consolidation		0	0	0	(256)	0	0	(256)
Currency translation differences not recognised in income statement		0	0	0	0	391	0	391
Net(loss)/gain not recognised in income statement		0	0	0	(256)	391	0	135
Dilution of interest in an associated company	15	0	0	0	0	0	(1,384)	(1,384)
Net loss for the financial year		0	0	0	0	0	(101)	(101)
Dividend for financial year ended 31 March 2002 (paid)		0	0	0	0	0	(1,869)	(1,869)
Issue of shares: - exercise of share options	27(b)	175	175	511	0	0	0	686
At 31 March 2003		103,889	103,889	1,157	4,607	(211)	1,352	110,794

Company Statement of Changes in Equity for the Financial Year Ended 31 March 2004

	Note	Issued and fully paid Ordinary shares of RM1 each		Non-distributable		Retained earnings RM'000	Total RM'000
		Number of shares '000	Nominal value RM'000	Share premium RM'000	Treasury shares RM'000		
At 1 April 2003		103,889	103,889	1,157	0	9,042	114,088
Net profit for the financial year		0	0	0	0	2,946	2,946
Purchase of company own shares	27(a)	0	0	(4)	(2,027)	0	(2,031)
Dividend for financial year ended 31 March 2003 (paid)	9	0	0	0	0	(742)	(742)
At 31 March 2004		103,889	103,889	1,153	(2,027)	11,246	114,261
At 1 April 2002		103,714	103,714	646	0	10,006	114,366
Net profit for the financial year		0	0	0	0	905	905
Issue of shares: exercise of share options	27(b)	175	175	511	0	0	686
Dividend for financial year ended 31 March 2002 (paid)		0	0	0	0	(1,869)	(1,869)
At 31 March 2003		103,889	103,889	1,157	0	9,042	114,088



**Bintai
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Cash Flow Statements for the Financial Year Ended 31 March 2004

	Note	Group		Company	
		2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(loss) from ordinary activities after tax		1,650	(101)	2,946	905
Adjustments for non cash items:					
Amortisation of reserve on consolidation		(256)	(256)	0	0
Amortisation of goodwill on consolidation		25	30	0	0
Minority interest		0	(4,484)	0	0
Gain on disposal of unquoted investment		(4,465)	0	(2,681)	0
Write back of allowance for doubtful debts		(400)	(394)	0	0
Allowance for doubtful debts		2,714	2,803	12	0
Bad debts written off		7,205	151	0	0
Share of losses of associated companies		797	927	0	0
Share of amortised goodwill arising from acquisition of associated companies		312	362	0	0
Property, plant and equipment					
- Depreciation		1,547	1,324	0	0
- Write off		0	12	0	0
- Loss/(gain) on disposal		35	(37)	0	0
Allowance for diminution in value of unquoted investment		66	105	0	0
Interest income		(1,428)	(1,031)	(29)	0
Interest expense		637	561	0	0
Dividend income		0	0	(1,000)	(9,004)
Tax		4,243	4,143	0	1,931
Provision for warranty and defects		2,135	992	0	0
Writeback of provisions for warranty and defects		(634)	(1,810)	0	0
Unrealised foreign exchange difference		1,303	0	0	0
Gain on disposal of an associated company		0	(649)	0	0
(Gain)/loss on partial disposal of equity interest in a subsidiary company		0	(81)	0	3,561
Operating profit /(loss) before working capital changes		15,486	2,567	(752)	(2,607)

Cash Flow Statements (cont'd) for the Financial Year Ended 31 March 2004

	Note	Group		Company	
		2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Changes in working capital:					
Development property expenditure		(28,254)	11,678	0	0
Inventories		(478)	(2,694)	0	0
Receivables		(152,568)	(62,628)	11,287	(2,887)
Payables		172,917	26,642	6,518	507
Cash flows from operations		7,103	(24,435)	17,053	(4,987)
Interest paid		(637)	(561)	0	0
Interest received		72	198	0	0
Tax paid		(591)	(3,824)	0	0
Net cash flows from operating activities		5,947	(28,622)	17,053	(4,987)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment in shares		(2,552)	(196)	(2,552)	(196)
Acquisition of shares in a subsidiary company	35*	0	0	0	0
Purchase of property, plant and equipment		(867)	(922)	0	0
Proceeds from disposal of property, plant and equipment		232	223	0	0
Interest income received		1,202	879	28	0
Proceeds from disposal of investment		5,522	0	2,298	0
Purchase of treasury shares		(1,982)	0	(1,982)	0
Dividend income received		0	0	720	6,483
Subscription of redeemable convertible loan stock in subsidiary		0	0	(11,249)	0
Net cash flows from investing activities		1,555	(16)	(12,737)	6,287

* RM4.00 - Cash inflow on Group acquisition of Landas Timur Sdn Bhd.



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Cash Flow Statements (cont'd) for the Financial Year Ended 31 March 2004

	Note	Group		Company	
		2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid		(742)	(1,869)	(742)	(1,869)
Repayment of hire purchase payables		(449)	(272)	0	0
Proceeds from short term bank borrowings		114,701	40,956	0	0
Repayments of short term bank borrowings		0	(11,335)	0	0
(Increase)/decrease in deposits pledged as security		(36,710)	2,177	0	0
Proceeds from Employee Share Option Scheme shares issued		0	686	0	686
Net cash flows from financing activities		76,800	30,343	(742)	(1,183)
NET INCREASE IN CASH AND CASH EQUIVALENTS					
Currency translation differences		26	382	0	0
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		21,891	19,804	222	105
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	22	106,219	21,891	3,796	222

The following significant accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION

The financial statements of the Group and Company have been prepared under the historical cost convention except as disclosed in this summary of significant accounting policies.

The financial statements comply with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act 1965. The new accounting standards adopted in these financial statements are as follows:

- MASB 25 "Income Taxes"
- MASB 29 "Employee Benefits"

Comparatives have been extended to take into account the requirements of MASB 25 and MASB 29.

The preparation of financial statements in conformity with the provisions of the Companies Act 1965 and the applicable approved accounting standards in Malaysia requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

B GROUP ACCOUNTING

(i) Subsidiary companies

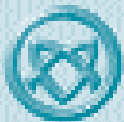
Subsidiary companies are those enterprises in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities. Subsidiary companies are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed of are included from the date of acquisition up to the date of disposal. At the date of acquisition, the fair values of the subsidiary companies' net assets are determined and these values are reflected in the consolidated financial statements. The excess of the cost of acquisition over the fair value of the Group's share of the subsidiary companies' identifiable net assets at the date of acquisition is reflected as goodwill on consolidation.

Intragroup transactions, balances and unrealised gains on transactions are eliminated; unrealised losses are also eliminated unless costs cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiary companies to ensure consistency of accounting policies with those of the Group.

Minority interest is measured at the minorities' share of the post acquisition fair values of the identifiable assets and liabilities of the acquiree. Separate disclosure is made of minority interest.

The gain or loss on disposal of a subsidiary company is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill on acquisition and reserve on consolidation.



B GROUP ACCOUNTING (CONTINUED)**(ii) Associated companies**

Associated companies are enterprises in which the Group exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associated companies but not control over those policies. Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting.

Equity accounting involves recognising in the income statement the Group's share of the results of associated companies for the financial year. The Group's investments in associated companies are carried in the balance sheet at an amount that reflects its share of the net assets of the associated companies and includes goodwill (net of accumulated amortisation) on acquisition. Equity accounting is discontinued when the carrying amount of the investment in an associated company reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associated company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the asset transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of associated companies to ensure consistency of accounting policies with those of the Group.

(iii) Transaction costs

External costs directly attributable to an acquisition, other than costs of issuing shares and other capital instruments, are included as part of the cost of acquisition.

C GOODWILL

Goodwill represents the excess of the cost of acquisition of subsidiary and associated companies over the fair value of the Group's share of their identifiable net assets at the date of acquisition.

Goodwill on acquisition of subsidiary companies is included in the balance sheet as intangible assets. Goodwill on acquisition of associated companies is included in investments in associated companies.

Reserve on consolidation represents the excess of the fair value of the Group's share of identifiable net assets acquired over the cost of acquisition. Reserve on consolidation is presented in the same balance sheet classification as goodwill. To the extent that reserve on consolidation relates to expectations of future losses and expenses that are identified in the Group's plan for the acquisition and can be measured reliably, but which do not represent identifiable liabilities, that portion of reserve on consolidation is recognised in the income statement when the future losses and expense are recognised. Any remaining reserve on consolidation, not exceeding the fair values of the non-monetary assets acquired, is recognised in the income statement over the remaining useful life of those assets; reserve on consolidation in excess of the fair values of those assets is recognised in the income statement immediately.

Goodwill and reserve on consolidation is amortised using the straight line method over its estimated useful economic life of 25 years.

At each balance sheet date, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. Refer accounting policy Note X on impairment of assets.

The gain or loss on disposal of a subsidiary company is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill on acquisition and reserve on consolidation.

D INVESTMENTS

Investments in subsidiary and associated companies are shown at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note X on impairment of assets.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the income statements.

E OTHER INVESTMENTS

Investments in other investments are shown at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the financial year in which the decline is identified.

F INVESTMENT PROPERTY

Investment property comprising freehold land and building is carried at cost and not subject to depreciation.

An allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the financial year in which the decline is identified.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amounts is charged or credited to the income statements.

G PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Leasehold land and buildings are amortised in equal instalments over the period of the respective leases that ranges from 99 to 999 years. Other property, plant and equipment are depreciated on the straight line basis to write off the cost of the assets over their estimated useful lives. The principal annual rates of depreciation are as follows:

Buildings	2%
Motor vehicles	20%
Office equipment, furniture and fittings	10% to 20%
Machines and tools	20%
Computers and computer software	33 1/3% to 40%
Office renovations	33 1/3%

Depreciation on assets under construction commences when the assets are ready for their intended use.

At each balance sheet date, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. Refer accounting policy Note X on impairment of assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit/(loss) from operations.

Repairs and maintenance are charged to the income statement during the financial year in which they are incurred. The cost of major renovations included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.



H INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods comprises the purchase cost but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Inventories of completed properties comprise development and land costs incurred apportioned by the relative sales value of the total units of the development.

I CONSTRUCTION CONTRACTS

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract as revenue and expenses respectively. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to recognise in a given period; the stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total costs for the contract.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; contract costs are recognised when incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the financial year end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as amounts due from customers on construction contracts. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amounts due to customers on construction contracts.

J TRADE RECEIVABLES

Trade receivables are carried at invoiced amount less an estimate made for doubtful debts. The allowance is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers.

K CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, bank overdrafts and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

L SHARE CAPITAL

(i) Classification

Ordinary shares are classified as equity.

(ii) Share issue costs

External costs directly attributable to the issue of new shares are shown as a deduction, net of tax, in equity from the proceeds.

L SHARE CAPITAL (CONTINUED)

(iii) Dividends

Dividends on ordinary shares are recognised as liabilities when proposed or declared before the balance sheet date. A dividend proposed or declared after the balance sheet date, but before the financial statements are authorised for issue, is not recognised as a liability at the balance sheet date but as an appropriation from retained earnings to a "proposed dividend reserve". Upon the dividend becoming payable, it will be accounted for as a liability.

(vi) Purchase of own shares

Where the Company or its subsidiaries purchases the Company's equity share capital, the consideration paid, including any attributable incremental external costs, net of tax, is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

M PROPERTY DEVELOPMENT COSTS

Property development cost comprise all costs directly attributable to development activities or that can be allocated on a reasonable basis to these activities.

When the outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised by using the stage of completion method. The stage of completion is measured by reference to the proportion that property development costs incurred bear to the estimated total costs for the property development.

When the outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable; property development costs on the development units sold are recognised when incurred.

Irrespective of whether the outcome of a property development activity can be estimated reliably, when it is probable that total property development activity can be estimated reliably, when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue, the expected loss is recognised as an expense method. The development costs common to whole projects and direct building costs are carried forward as development property expenditure at cost plus profit accrued to the appropriate stage of completion less progress billings. Development property expenditure is that in which significant work has been undertaken and are expected to be completed within the normal operating cycle of two to three years.

N INTEREST CAPITALISATION

Interest incurred on borrowings related to turnkey contract project, development property expenditure are capitalised during the financial year when activities to prepare and develop the property are carried out.

All other interest on borrowings is expensed when incurred.

O DEFERRED TAXATION

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not be reversed in the foreseeable future.

Tax rates enacted or substantively enacted by the balance sheet date are used to determine deferred tax.

Prior to the adoption of MASB 25, "Income Taxes" deferred tax was provided for using the liability method in respect of significant timing differences and deferred tax assets were not recognised unless there reasonable expectation on their realisation.



P HIRE PURCHASE PAYABLES

Hire purchase of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as hire purchase payables.

Assets held under hire purchase agreements are capitalised in the balance sheets and are depreciated in accordance with the policy set out in Note G. Outstanding obligations due under the hire purchase agreements after deducting hire purchase interest are included as liabilities in the financial statements. The interest element of the finance charges is charged to the income statement on a straight line bases over the lease period.

Q PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

The Group recognises the estimated liability to rectify or replace completed construction works under defect or replace construction materials under warranty at the balance sheet date. Provision for warranty and defects are calculated based on past history of the level of warranty and defects.

R REVENUE RECOGNITION

(i) Contract revenue

When the outcome of contracts can be estimated reliably, the total revenue and expenses associated with the contracts are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date. When the outcome of the contracts cannot be estimated reliably, no profit is recognised. Expected losses are recognised as expenses immediately.

The stage of completion of the contract activity is measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the contract.

(ii) Property development

Revenue from property development is recognised upon the sale of properties, both completed and uncompleted. Profit on completed and uncompleted properties contracted for is accrued based on the stage of completion. The stage of completion of the property development activity is measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the development.

(iii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(iv) Interest income

Interest income is recognised on an accrual basis unless collectibility is in doubt.

(v) Rental income

Rental income is recognised on an accrual basis.

S FOREIGN CURRENCIES

(i) Foreign entities

Income statements of the Group's foreign entities are translated into Ringgit Malaysia at average exchange rates for the financial year and the balance sheets are translated at exchange rates ruling at the balance sheet date. Exchange differences arising from the translation of the net investment in foreign entities is taken to 'Exchange Reserve' in shareholders' equity. On disposal of the foreign entity, such translation differences are recognised in the income statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the Company and are translated accordingly at the exchange rate ruling at the date of the transaction.

(ii) Foreign currency transactions

Foreign currency transactions are accounted for at exchange rates prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the balance sheet date. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the income statement.

The principal closing rate used in translation of foreign currency amounts is as follows:

Foreign currency	<u>31.3.2004</u> RM	<u>31.3.2003</u> RM
1 Singapore Dollar	2.2608	2.150

T FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

(i) Financial instruments recognised on the balance sheet

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual policy statements associated with each item.

(ii) Fair value

The fair value of publicly traded derivatives and securities is based on quoted market prices at the balance sheet date.

In assessing the fair value of the financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices for the specific or similar instruments are used for long term debt. Other techniques, such as estimated discounted value of future cash flows, are used to determine fair value for the remaining financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

The face values, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.



U EMPLOYEE BENEFITS

(i) Short term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Post-employment benefits

The Group contributes to the Employees Provident Fund, the national defined contribution plan.

A defined contribution plan is a pension plan under which the Group pays a fixed contribution into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior financial years.

The Group's contributions to defined contribution plan are charged to the income statement in the financial year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(iii) Equity compensation benefits

Details of the Group's Employee Share Option Scheme are set out in Note 27(b) to the financial statements. The Group does not make a charge to the income statement in connection with share options granted. When the share options are exercised, the proceeds received, net of any transaction costs, are credited to share capital and share premium.

V CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group does not recognise a contingent liability but disclose its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstances where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

W SEGMENT REPORTING

Segment reporting is presented for enhanced assessment of the Group's risk and returns. Business segments provide products or services that are subject to risk and returns that are different from those of other business segments. Geographical segment provide products or services within a particular economic environment that is subject to risk and returns that are different from those components operating in other economic environments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expense, assets and segment liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process, except to the extent that such intragroup balances and transactions are between group enterprises within a single segment.

X IMPAIRMENT OF ASSETS

Property, plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

The impairment loss is charged to the income statements. Any subsequent increase in recoverable amount is recognised in the income statements.

1 GENERAL INFORMATION

The principal activities of the Company are investment holding and provision of management services to its subsidiary companies. The principle activities of the subsidiary companies are set out in Note 14 to the financial statements.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on Bursa Malaysia Securities Berhad.

The address of the registered office and principal place of business of the Company is as follows:

No.43-0-2, Jalan 1/48A
Sentul Perdana
Bandar Baru Sentul
51000 Kuala Lumpur

2 REVENUE AND COST OF SALES

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Revenue comprise:				
Construction contracts	341,697	111,623	0	0
Development property	40,137	42,088	0	0
Dividend income, unquoted (gross)	0	0	1,000	9,004
Management fees	0	0	1,609	606
Rental income	73	36	0	0
	381,907	153,747	2,609	9,610
Cost of sales comprise:				
Contract costs	313,055	97,000	0	0
Development property costs	35,068	37,828	0	0
	348,123	134,828	0	0



**Bintang
Kinden
Corporation
Berhad**
(Company No.
290870-P)

3 PROFIT FROM OPERATIONS

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Profit from operations is arrived at after charging/(crediting) the following:				
Auditors' remuneration				
- statutory audit by Group auditors	134	112	8	8
- statutory audit by other auditors	3	0	0	0
- audit related work	17	29	0	21
- fees for other services - tax advisory and compliance work	15	13	8	4
Amortisation of reserve on consolidation	(256)	(256)	0	0
Amortisation of goodwill on consolidation	25	30	0	0
Share of amortised goodwill arising from acquisition of associated companies	312	362	0	0
Realised (gain)/loss on exchange	(108)	0	3	0
Rental of office premises	1,276	740	0	0
Technical fees paid/payable to a third party/shareholder	2,438	786	0	0
Staff costs (including Executive Directors' remuneration) (Note 4)	20,632	19,110	1,120	1,865
Bad debts written off	7,205	151	0	0
Write back of allowance for doubtful debts	(400)	(394)	0	0
Allowance for doubtful debts	2,714	2,803	0	0
Allowance for diminution in value of unquoted investment	66	105	0	0
Property plant and equipment				
- depreciation	1,547	1,324	0	0
- write off	0	12	0	0
- (gain)/ loss on disposal	35	(37)	0	0
Gross dividend from a subsidiary company	0	0	(1,000)	(9,004)
Gross dividend from unquoted investment	(1)	(1)	0	0
Rental income	(11)	(25)	0	0
Interest income	(1,428)	(1,031)	(29)	0
Gain on disposal of investment	(4,465)	0	(2,681)	0
Rental of equipment	3	0	0	0
Impairment loss in unquoted equity investment	66	0	0	0
Provision for warranty and defects	2,135	992	0	0
Write back of provision for warranty and defects	(634)	(1,810)	0	0

4 STAFF COSTS

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Wages, salaries and bonus	18,511	17,100	999	1,707
Defined contribution retirement plan	2,121	2,010	121	158
	20,632	19,110	1,120	1,865

The number of staff (including Executive Directors) as at financial year end amounted to 422 (2003: 344) persons in the Group and 7 (2003:10) persons in the Company.

5 DIRECTORS' REMUNERATION

The Directors of the Company in office during the period were as follows:

Non-Executive Directors

- Tan Hee Chai
- Kenji Tamura
- Peter John Farrar
- Teo Tong Kooi
- Dato' Hamzah bin Zainudin
- Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali
- Wan Mohd Shukri bin Dato' Ariffin
- Shinichi Kotoku

Executive Directors

- Syed Ahmad bin Abu Bakar
- Ong Puay Koon
- Dato' Ang Liang Kim
- Ong Choon Lui
- Goh Kong Teng

The aggregate amounts of emoluments receivable by Directors of the Company in respect of the financial year are as follows:

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Non-executive Directors:				
- fees	147	112	127	92
- other emoluments				
- salaries and bonus	141	153	141	153
	288	265	268	245
Executive Directors:				
- fees	405	450	335	308
- other emoluments				
- salaries and bonus	2,085	1,712	479	788
- defined contribution retirement plan	136	159	53	99
- benefit in kind	10	10	0	0
	2,636	2,331	867	1,195
	2,924	2,596	1,135	1,440

Executive Directors of the Company have been granted options under the Employee Share Option Scheme on the same terms and conditions as those offered to other employees of the Group (see Note 27 (b)).

Option Date	Option Price	As at 1.4.2003	Granted during the financial year	Lapsed due to resignation	Exercised	As at 31.3.2004
2004						
8.1.2001	RM3.92	3,375,000	0	0	0	3,375,000
22.1.2001	RM3.74	250,000	0	0	0	250,000
		3,625,000	0	0	0	3,625,000
Option Date	Option Price	As at 1.4.2002	Granted during the financial year	Lapsed due to resignation	Exercised	As at 31.3.2003
2003						
8.1.2001	RM3.92	3,375,000	0	0	0	3,375,000
22.1.2001	RM3.74	250,000	0	0	0	250,000
		3,625,000	0	0	0	3,625,000



6 FINANCE COST

	Group	
	2004 RM'000	2003 RM'000
Interest expense on:		
- bank overdrafts	431	412
- hire purchase	74	35
- short term loans	132	114
	<u>637</u>	<u>561</u>

7 TAX

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
In respect of the current year:				
- Malaysian income tax	(4,043)	(2,752)	(114)	(1,931)
- foreign tax	0	0	0	0
Deferred tax (Note 10)	0	0	0	0
	<u>(4,043)</u>	<u>(2,752)</u>	<u>(114)</u>	<u>(1,931)</u>
(Under)/over provision in respect of prior years:				
- Malaysian income tax	(200)	0	114	0
- foreign tax	0	(1,391)	0	0
	<u>(4,243)</u>	<u>(4,143)</u>	<u>0</u>	<u>(1,931)</u>

The explanation of the relationship between tax expense and profit from ordinary activities before tax is as follows:

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Profit/(Loss) from ordinary activity before tax	5,893	(442)	2,946	2,836
Tax calculated at the Malaysian tax rate of 28% (2003: 28%)	1,650	(124)	825	794
Tax effects of:				
- different tax rates in other countries	321	440	0	0
- change in foreign tax rates	107	0	0	0
- (gain)/loss on disposal investment, not subject to tax	(1,105)	254	(751)	0
- expenses not deductible for tax purposes	2,293	747	80	1,145
- difference in tax rate applicable to small and medium enterprises	(107)	(27)	(40)	(8)
- utilisation of previously unrecognised deferred tax benefits	(1)	(159)	0	0
- current year losses not recognised	37	1,625	0	0
- deferred tax benefits not recognised	848	0	0	0
- previously unrecognised tax losses	0	(4)	0	0
Under/(over) accruals in prior year	200	1,391	(114)	0
Tax expense	<u>4,243</u>	<u>4,143</u>	<u>0</u>	<u>1,931</u>

8 EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share of the Group is calculated based on the net profit/(loss) for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	2004	2003
Net profit/(loss) for the financial year (RM'000)	1,650	(101)
Weighted average number of ordinary shares in issue ('000)	103,889	103,827
Basic earnings/(loss) per share (sen)	1.59	(0.10)

(b) Diluted earnings/(loss) per share

The exercisable price of the options is above the fair value of the Company's shares for the current financial year, the option is deemed non-dilutive. As such, the options have no dilution effect on the earnings per share of the Group for the current financial year.

For the diluted earnings/(loss) per share calculation for the financial year ended 31 March 2003, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The Company's dilutive potential ordinary shares are share options granted to employees.

A calculation is done to determine the number of shares that could have been acquired at market price (determined as the average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. This calculation serves to determine the bonus element to the ordinary shares outstanding for the purpose of computing the dilution. No adjustment is made to net profit/(loss) for the financial year for the share options calculation.

	2003
Net profit/(loss) for the financial year (RM'000)	(101)
Weighted average number of ordinary shares in issue ('000)	103,827
Adjustment for share options ('000)	2,060
Weighted average number ordinary shares for diluted earnings/(loss) per share ('000)	105,887
Diluted earnings/(loss) per share (sen)	(0.10)

9 DIVIDENDS

	Group and Company			
	Gross dividend per share Sen	2004 Amount of dividend, net of tax RM'000	Gross dividend per share Sen	2003 Amount of dividend, net of tax RM'000
Final dividends:				
- Proposed dividend at balance sheet date	1.5	1,111	1.0	748
- Less : Dividend attributable to treasury shares held	0	0	0	(6)
	1.5	1,111	1.0	742

A final gross dividend for the financial year ended 31 March 2004 of 1.5 sen less 28% income tax (2003: gross dividend of 1.0 sen less 28% income tax) has been proposed by the Board of Directors for approval by the shareholders at the forthcoming Annual General Meeting.



10 DEFERRED TAX ASSETS / (LIABILITIES)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet.

	Group	
	2004 RM'000	2003 RM'000
Deferred tax liabilities	0	0
Deferred tax assets	0	0
	0	0
At start of financial year	0	0
Charged/(credited) to income statement:		
- property, plant and equipment	3	(22)
- provisions	(3)	22
At end of the financial year	0	0
<u>Subject to income tax</u>		
Deferred tax assets (before offsetting):		
- provisions	(1,664)	(975)
- unused tax losses	(1,363)	(1,389)
	(3,027)	(2,364)
Offsetting	112	109
Deferred tax assets not recognised	2,915	2,255
Deferred tax assets (after offsetting)	0	0
Deferred tax liabilities (before offsetting):		
- property, plant and equipment	112	109
- others	0	0
	112	109
Offsetting	(112)	(109)
Deferred tax liabilities (after offsetting)	0	0

The amount of deductible temporary differences and unused tax losses (both of which have no expiry date) for which no deferred tax asset is recognised in the balance sheet are as follows:

	Group	
	2004 RM'000	2003 RM'000
Deductible temporary differences	5,975	3,266
Tax losses	6,759	6,314

11 PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment, machines and tools RM'000	Computers and computer software RM'000	Office renovations RM'000	Capital work in progress RM'000	Total RM'000
2004								
<u>Cost</u>								
As at 1 April 2003	12,465	5,380	2,210	42	3,309	971	312	24,689
Additions	0	2,130	60	0	259	158	0	2,607
Disposals/written off	0	(1,120)	(71)	0	(27)	0	0	(1,218)
Foreign currency translation	0	97	41	0	18	8	0	164
As at 31 March 2004	12,465	6,487	2,240	42	3,559	1,137	312	26,242
<u>Accumulated depreciation</u>								
As at 1 April 2003	1,301	3,717	1,862	42	3,113	900	0	10,935
Charge for the financial year	147	970	101	0	240	89	0	1,547
Disposals/written off	0	(847)	(71)	0	(27)	0	0	(945)
Foreign currency translation	0	65	38	0	15	6	0	124
As at 31 March 2004	1,448	3,905	1,930	42	3,341	995	0	11,661
Net book value as at 31 March 2004	11,017	2,582	310	0	218	142	312	14,581

Group	Land and buildings RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment, machines and tools RM'000	Computers and computer software RM'000	Office renovations RM'000	Capital work in progress RM'000	Total RM'000
2003								
<u>Cost</u>								
As at 1 April 2002	12,465	5,549	2,038	42	3,040	862	312	24,308
Additions	0	816	149	0	266	106	0	1,337
Disposals/written off	0	(1,062)	(1)	0	(5)	0	0	(1,068)
Foreign currency translation	0	77	24	0	8	3	0	112
As at 31 March 2003	12,465	5,380	2,210	42	3,309	971	312	24,689
<u>Accumulated depreciation</u>								
As at 1 April 2002	1,154	3,886	1,696	42	2,796	830	0	10,404
Charge for the financial year	147	648	145	0	316	68	0	1,324
Disposals/written off	0	(864)	(1)	0	(5)	0	0	(870)
Foreign currency translation	0	47	22	0	6	2	0	77
As at 31 March 2003	1,301	3,717	1,862	42	3,113	900	0	10,935
Net book value as at 31 March 2003	11,164	1,663	348	0	196	71	312	13,754

Capital work in progress as at 31 March 2004 represent progress payments made in respect of one unit of two-storey shop houses under construction.



11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Analysis of land and buildings is as follows:

Group	Freehold land RM'000	Long leasehold land RM'000	Buildings RM'000	Total RM'000
<u>2004</u>				
<u>Cost</u>				
As at 1 April 2003 and 31 March 2004	4,603	1,131	6,731	12,465
<u>Accumulated depreciation</u>				
As at 1 April 2003	0	140	1,161	1,301
Charge for the financial year	0	7	140	147
As at 31 March 2004	0	147	1,301	1,448
Net book value as at 31 March 2004	4,603	984	5,430	11,017
<u>2003</u>				
<u>Cost</u>				
As at 1 April 2002 and 31 March 2003	4,603	1,131	6,731	12,465
<u>Accumulated depreciation</u>				
As at 1 April 2002	0	128	1,026	1,154
Charge for the financial year	0	12	135	147
As at 31 March 2003	0	140	1,161	1,301
Net book value as at 31 March 2003	4,603	991	5,570	11,164
		Group		
		2004	2003	
		RM'000	RM'000	
Assets under hire purchase:				
- motor vehicles:				
additions during the financial year		1,740	415	
net book value at end of the financial year		1,992	386	

12 GOODWILL ON CONSOLIDATION

	RM'000
<u>Group</u>	
<u>Net book value</u>	
As at 1 April 2002	1,115
Reversal arising from partial disposal of equity interest in a subsidiary company	(541)
Amortisation charge	(30)
As at 31 March 2003	544
Amortisation charge	(25)
As at 31 March 2004	<u>519</u>
<u>As at 31 March 2003</u>	
Cost	619
Accumulated amortisation	(75)
Net book value	<u>544</u>
<u>As at 31 March 2004</u>	
Cost	619
Accumulated amortisation	(100)
Net book value	<u>519</u>

13 INVESTMENT PROPERTY – AT COST

	Group and Company	
	Carrying amount RM'000	Fair value RM'000
<u>At the beginning / end of the financial year</u>		
Freehold land and building	2,784	2,784



14 SUBSIDIARY COMPANIES

	Company	
	2004 RM'000	2003 RM'000
Unquoted shares, at cost	64,251	64,251
Unquoted redeemable convertible loan stocks at cost (Note 28)	11,249	0
	75,500	64,251

Details of the subsidiary companies are as follows:

Name of Company	Country of incorporation	Equity interest		Principal activity
		2004 %	2003 %	
Kejuruteraan Bintai Kindenko Sdn Bhd	Malaysia	100	100	Provision of specialised services in electrical and mechanical works including design, planning, procurement and undertaking of turnkey construction and property development projects.
* Landas Timur Sdn Bhd @	Malaysia	100	40	Project and construction management, subcontracting and other construction activities
^ Bintai Kinden Property Sdn Bhd	Malaysia	100	100	Property investment
Bintai Kinden Integrated Power Engineering Sdn Bhd	Malaysia	100	100	Construction of power plants and transmission lines.
Bintai Winsome Sdn Bhd	Malaysia	100	100	Property development.
* Bintai Facilities Management Sdn Bhd	Malaysia	100	100	Provision of property management services
# Bintai Kindenko Pte Ltd	Singapore	51	51	Provision of specialised services in electrical and mechanical works.

* Audited by firm other than PricewaterhouseCoopers, Malaysia and its affiliates

Audited by an affiliate of PricewaterhouseCoopers, Malaysia

^ Changed its principal activity from investment holding to property investment during the financial year.

@ Landas Timur Sdn Bhd became a subsidiary of the Group during the financial year as a result of additional purchase of shares.

15 ASSOCIATED COMPANIES

	2004 RM'000	2003 RM'000
<u>Company</u>		
Unquoted shares, at cost	7,933	7,933
<u>Group</u>		
Share of net liabilities other than goodwill of associated companies	(1,170)	(372)
Goodwill on acquisition	7,070	7,382
	5,900	7,010

Details of the associated companies are as follows:

Name of Company	Country of incorporation	Equity interest		Principal activity
		2004 %	2003 %	
<u>Held by Bintai Kinden Corporation Berhad:</u>				
Bintai Kinden Education Sdn Bhd	Malaysia	30	30	Education provider
Konsortium CEP Sdn Bhd	Malaysia	30	30	Dormant
Nusantara Exploration & Production Sdn Bhd	Malaysia	20	20	Investment holding
Nusantara Steel Power Sdn Bhd	Malaysia	16	16	Independent power producer for steel industry
<u>Held by Nusantara Exploration & Production Sdn Bhd:</u>				
Nusantara Steel Power Sdn Bhd	Malaysia	11	11	Independent power producer for steel industry
<u>Held by Kejuruteraan Bintai Kinden Sdn Bhd:</u>				
* Landas Timur Sdn. Bhd.	Malaysia	100	40	Project and construction management, subcontracting and other construction activities
<u>Held by Bintai Kinden Pte Ltd</u>				
^ Mostrans Pte Ltd	Singapore	0	18	Warehousing and transport services.

* Landas Timur Sdn Bhd has become a subsidiary of the Group during the year as a result of additional purchase of shares (Note 14).

^ The results of Mostrans Pte Ltd were no longer equity accounted for from 1 July 2002 as the Group has ceased to exercise significant influence in the financial and operating policy decision of Mostrans Pte Ltd following the disposal of the Group's 49% equity interest in Bintai Kinden Pte Ltd. The effect of the dilution of the interest in the associated company was RM1,384,000.



Bintai Kinden Corporation Berhad
(Company No. 290870-P)

16 OTHER INVESTMENTS

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Unquoted investments				
- in Malaysia	8,204	10,413	8,204	8,972
- outside Malaysia	3,004	2,995	2,825	2,825
	11,208	13,408	11,029	11,797
Allowance for diminution in value	(179)	(105)	0	0
	11,029	13,303	11,029	11,797
Quoted investments, at cost				
- outside Malaysia	7,658	5,106	7,658	5,106
	18,687	18,409	18,687	16,903
Golf club memberships, at cost	464	457	0	0
	19,151	18,866	18,687	16,903
Quoted investments, at market value	6,190	2,025	6,190	2,025
Golf club memberships, at fair value	485	461	0	0

The market value at the balance sheet date of quoted investments reflected the fair value of the investments.

The fair values of the unquoted investments were estimated based on the investees' net tangible assets value. The Directors are of the view that the fair values of these investments at the balance sheet date are not significantly different from the cost shown in the financial statements.

17 LONG TERM RECEIVABLE

During the previous financial year, the Company's subsidiary company, Kejuruteraan Bintai Kindenko Sdn Bhd ("KBK") entered into a development project with a third party to develop the Sri Rampai public housing project for Dewan Bandaraya Kuala Lumpur. As a turnkey contractor for the project, KBK will only receive the total contract payment at the end of the contract period. The contract sum payment is secured by a bank guarantee.

Taking cognisance of this special arrangement, the contract progress claims is classified as a long term receivable in previous financial years. The targeted contract completion date is the end of 2004 and the collection is subject to issuance of certificate of fitness which usually take three to six months.

	Group	
	2004 RM'000	2003 RM'000
Long term receivable	108,619	48,794

The fair value of the long term receivable has been estimated at 8% discounted value of future cash flow.

At the balance sheet date, the carrying value of long term receivable denominated in Ringgit Malaysia represents the fair value.

18 DEVELOPMENT PROPERTY EXPENDITURE

	Group	
	2004 RM'000	2003 RM'000
Development property expenditure incurred to date	57,266	19,129
Profit attributable to development work performed to date	8,999	2,598
	66,265	21,727
Progress billings	(32,368)	(16,084)
	33,897	5,643
Included in development expenditure are the following items:		
(i) interest capitalised	489	138
(ii) net reversal of provisions for warranty and defects	126	37
(iii) land cost paid and payable to a jointly controlled operations venturer	78	0

19 INVENTORIES

	Group	
	2004 RM'000	2003 RM'000
At cost:		
Raw material	925	955
Completed properties	3,374	2,866
	4,299	3,821

20 RECEIVABLES

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Trade receivables	152,986	64,860	0	0
Allowance for doubtful debts	(7,867)	(6,568)	0	0
	145,119	58,292	0	0
Amounts due from customers on contracts (Note 21)	39,249	43,476	0	0
Amounts due from subsidiary companies	0	0	9,756	21,810
Amounts due from associated companies	22	0	22	0
Other receivables	10,231	5,620	2,401	192
Allowance for doubtful debts	(2,375)	(1,331)	0	0
	7,856	4,289	2,401	192
Deposits	3,449	2,053	4	2
Prepayments	526	305	50	29
	196,221	108,415	12,233	22,033



20 RECEIVABLES (CONTINUED)

The Group and the Company's normal trade credit terms range from 14 to 90 days (2003: 14 to 90 days). Other credit terms are assessed and approved on a case to case basis.

Amounts due from subsidiary companies are unsecured, interest free and have no fixed terms of repayment.

The Group and Company have no significant concentration of credit risk that may arise from exposure to a single customer or large groups of customers other than those classified under non current assets as long term receivable.

The currency exposure profile of receivables is as follows:

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Ringgit Malaysia	168,119	90,918	12,233	22,033
Singapore Dollar	24,667	17,497	0	0
USD	3,435	0	0	0
	196,221	108,415	12,233	22,033

21 AMOUNTS DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	Group	
	2004 RM'000	2003 RM'000
Aggregate costs incurred to date	580,221	132,166
Attributable profit	48,597	16,774
	628,818	148,940
Provision for foreseeable loss	(468)	0
Progress billings	(620,025)	(110,501)
	8,325	38,439
Represented by:		
Amounts due from customers on contracts (Note 20)	39,249	43,476
Amounts due to customers on contracts (Note 24)	(30,924)	(5,037)
	8,325	38,439
Retention sum (included in trade receivables)	9,656	2,402
Included in contract costs are the following items:		
(i) net reversal of provisions for warranty and defects	1,751	781
(ii) interest capitalised	6,726	1,744

22 CASH AND CASH EQUIVALENTS

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Deposits with licensed banks	137,042	28,597	2,017	0
Cash held under Housing Development Accounts	7,359	10,200	0	0
Cash and bank balances	16,820	5,461	1,779	222
Deposits, bank and cash balances	161,221	44,258	3,796	222
Bank overdrafts (Note 25)	(9,710)	(13,785)	0	0
Fixed deposits pledged for banking facilities as security	(14,217)	(8,582)	0	0
Fixed deposits pledged for banking facilities and for project purposes as security	(6,782)	0	0	0
Fixed deposits for project purposes	(24,293)	0	0	0
	106,219	21,891	3,796	222

The currency exposure profile of deposits, bank and cash balances is as follows:

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Ringgit Malaysia	101,331	31,818	3,796	222
Singapore Dollar	59,890	7,989	0	0
Euro Dollar	0	3,789	0	0
Japanese Yen	0	37	0	0
US Dollar	0	625	0	0
	161,221	44,258	3,796	222

The weighted average interest rates of deposits, bank and cash balances that were effective as at end of the financial year are as follows:

	Group		Company	
	2004 %	2003 %	2004 %	2003 %
Deposits with licensed banks	2.59	2.04	2.59	2.04
Cash held under Housing Development Accounts	2.00	2.01	0	0

Cash held under the Housing Development Accounts comprises receipts from purchasers of residential properties, less payments or withdrawals provided under the Housing Development (Housing Development Account) Regulations 1991.

Deposits of the Group and Company have an average maturity of 45 days (2003: 45 days) . Bank balances are deposits held at call with banks.



23 PROVISIONS

	Warranty RM'000	Defects RM'000	Total RM'000
Group			
At 1 April 2003	1,336	704	2,040
Charged to income statements	1,255	880	2,135
Unutilised amount written back	(428)	(206)	(634)
At 31 March 2004	2,163	1,378	3,541
<u>At 31 March 2004</u>			
Current	702	679	1,381
Non current	1,461	699	2,160
	2,163	1,378	3,541
<u>At 31 March 2003</u>			
Current	459	295	754
Non current	877	409	1,286
	1,336	704	2,040

The Company makes provision for defects and warranty on contracts and property development and undertakes to rectify or replace completed construction work under defect or replace construction materials under warranty at the balance sheet date. A provision has been made at the financial year end for expected claims based on past history of the level of warranty and defects.

24 PAYABLES

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Trade payables	221,670	75,266	0	0
Other payables	13,240	10,622	638	249
Accruals	3,200	1,163	460	654
Amounts due to customers on contracts (Note 21)	30,924	5,037	0	0
Amounts due to subsidiary companies	0	0	6,770	51
	269,034	92,088	7,868	954

The normal trade credit terms granted to the Group range from 30 to 180 days. (2003: 30 to 180 days)

The currency exposure profile of payables is as follows:

	Group		Company	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Ringgit Malaysia	205,988	78,067	7,868	954
Singapore Dollar	55,967	14,021	0	0
USD	7,079	0	0	0
	269,034	92,088	7,868	954

Amounts due to subsidiary companies are unsecured, interest free and have no fixed terms of repayment.

25 BORROWINGS (INTEREST BEARING)

	Group	
	31.3.2004 RM '000	31.3.2003 RM '000
Current		
Bank overdrafts (Note 22)	9,710	13,785
Revolving credit	34,913	28,370
Bills payables	41,523	11,528
Bridging loans	5,500	0
Term Loans	4,069	0
	95,715	53,683
Non-current		
Term Loans	69,000	0
Total	164,715	53,683
Total		
Bank overdrafts	9,710	13,785
Revolving credit	34,913	28,370
Bills payables	41,523	11,528
Bridging loans	5,500	0
Term Loans – Project Loan	73,069	0
	164,715	53,683

(i) Contractual terms of borrowings

	Weighted average interest rate at balance sheet date (per annum)	Functional currency/ currency exposure	Total carrying amount RM'000	< 1 year RM'000	1–5 years RM'000	> 5 years RM'000
Group						
At 31 March 2004						
<u>Secured</u>						
Bank overdraft	7.50	RM/RM	142	142	0	0
Bank overdrafts	5.50	RM/SGD	9,568	9,568	0	0
Revolving credit	6.84	RM/RM	34,913	34,913	0	0
Bills payable	4.24	RM/RM	40,654	40,654	0	0
Bills payables	1.60	RM/SGD	869	869	0	0
Bridging loans	7.75	RM/RM	5,500	5,500	0	0
Term loans – project loan	6.84	RM/RM	73,069	4,069	69,000	0
			164,715	95,715	69,000	0
At 31 March 2003						
<u>Secured</u>						
Bank overdraft	7.75	RM/RM	10,429	10,429	0	0
Bank overdrafts	6.00	RM/SGD	3,356	3,356	0	0
Revolving credit	5.97	RM/RM	24,070	24,070	0	0
Revolving credit	1.50	RM/SGD	4,300	4,300	0	0
Bills payable	4.75	RM/RM	8,299	8,299	0	0
Bills payables	1.50	RM/SGD	3,229	3,229	0	0
			53,683	53,683	0	0

The borrowings are secured by fixed deposits of RM45,292,352 and by corporate guarantees by the holding company.



26 HIRE PURCHASE PAYABLES

	Group	
	2004 RM'000	2003 RM'000
Minimum hire purchase payables:		
- not later than one year	462	217
- later than 1 year and not later than 2 years	971	217
- later than 2 years and not later than 5 years	1,045	471
- later than 5 years	82	41
	2,560	946
Future finance charges	(460)	(152)
	2,100	794
Representing payables:		
- not later than one year	386	183
- later than 1 year and not later than 2 years	379	183
- later than 2 years and not later than 5 years	857	394
- later than 5 years	478	34
	2,100	794
Current	386	183
Non Current	1,714	611
	2,100	794

The currency exposure profile of payables is as follows:

	Group	
	2004 RM'000	2003 RM'000
Ringgit Malaysia	802	361
Singapore Dollar	1,298	433
	2,100	794

The weighted average interest rate of the Group is as follows:

	Group	
	2004 %	2003 %
Weighted average interest rate	3.49	4.28

Hire purchase payables are effectively secured as the rights to the hire purchase asset revert to the financier in the event of default.

Estimated fair value

The fair value of hire purchase payables at balance sheet date is as follows:

	Group	
	2004 RM'000	2003 RM'000
Hire purchase payables	1,869	751

27 SHARE CAPITAL

	Group and Company	
	2004 RM'000	2003 RM'000
Authorised: 500,000,000 ordinary shares of RM1.00 each At beginning and end of the financial year	500,000	500,000
Issued and fully paid: At beginning of the financial year Exercise of share options	103,889 0	103,714 175
At end of the financial year	103,889	103,889

27 SHARE CAPITAL (CONTINUED)

(a) REPURCHASE OF SHARES

The shareholders of the Company had, at the Ninth Annual General Meeting held on 27 August 2003, granted a mandate for the Company to purchase up to 10% of the issued and paid-up share capital of the Company. The mandate will expire at the conclusion of the forthcoming Annual General Meeting and renewal of the mandate will be sought at the forthcoming Annual General Meeting.

During the financial year, the Company repurchased 1,009,000 of its issued share capital from the open market on the Bursa Malaysia Securities Berhad (formerly known as Malaysia Securities Exchange Berhad) for RM2,031,156.28. The average price paid for the shares repurchased was approximately RM2.01 per share. The repurchased transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distributions are suspended. None of the treasury shares repurchased has been sold as at 31 March 2004.

At the balance sheet date, the number of outstanding shares in issue after setting treasury shares off against equity is 102,880,253.

(b) EMPLOYEE SHARE OPTION SCHEME

The Company implemented an Employee Share Option Scheme ("ESOS") which came into effect on 16 November 2000 for a period of five (5) years. The ESOS is governed by the by-laws which were approved by the shareholders on 24 August 2000.

The main features of the ESOS are as follows:

- (i) The total number of ordinary shares to be issued by the Company under the ESOS shall not exceed ten percent (10%) of the total issued and paid-up ordinary shares of the Company.
- (ii) The eligibility for participation in the ESOS is at the discretion of the ESOS Committee. Eligible persons are confirmed employees of the Group, including full-time Executive Directors of the Group who have been employed for at least a continuous period of one (1) year in the Group on or prior to the date of offer and for an employee serving under an employment contract, the contract term should be for a duration of at least three (3) years.
- (iii) No options shall be granted for less than one thousand (1,000) new ordinary shares or more than five hundred thousand (500,000) new ordinary shares unless so adjusted in the event of any alteration in the capital structure of the Company during the option period. The number of new ordinary shares relating to the option so far as unexercised or the option price or both may be adjusted following any alteration in the capital structure of the Company.
- (iv) The option price shall be determined by the weighted average market price of the ordinary shares of the Company for the five (5) market days immediately preceding the date of offer, or at a discount of not more than ten percent (10%) from the 5 day weighted average market price of the underlying shares at the date the option is granted.
- (v) No eligible employees of the Group may participate at any time in more than one (1) ESOS implemented by any one or more companies within the Group.
- (vi) An option granted under the ESOS shall be capable of being exercised by notice in writing to the Company commencing from the dates of the offer which included 8 January 2001, 22 January 2001 and 26 October 2001 and expiring on 15 November 2005. Exercise of the option granted shall not exceed the maximum allowable limit as follows:

Number of new shares granted pursuant to the option	Percentage of new shares in respect of which option is exercisable				
	Year 1	Year 2	Year 3	Year 4	Year 5
Below 20,000	100%	-	-	-	-
20,000 to less than 100,000	40% ¹	30%	30% ²	-	-
100,000 and above	20%	20%	20%	20%	20%

1 40% or 20,000 new shares, whichever is higher

2 30% or the remaining number of new shares under the unexercised part of the option



27 SHARE CAPITAL (CONTINUED)

(b) EMPLOYEE SHARE OPTION SCHEME (CONTINUED)

During the financial year, the movement in the options over ordinary shares of RM1.00 each is as follows:

Option Date	Option Price	As at 1.4.2003	Granted during the financial year	Lapsed due to resignation	Exercised	As at 31.3.2004
8.1. 2001	RM3.92	5,756,000	0	0	0	5,756,000
22.1.2001	RM3.74	250,000	0	0	0	250,000
26.10.2001	RM4.41	62,500	0	0	0	62,500
		6,068,500	0	0	0	6,068,500

During the financial year ended 31 March 2003, the movement in the options to take up unissued ordinary shares of RM1.00 each is as follows:

Option Date	Option Price	As at 1.4.2002	Granted during the financial year	Lapsed due to resignation	Exercised	As at 31.3.2003
8.1.2001	RM3.92	5,933,250	0	2,250	175,000	5,756,000
22.1.2001	RM3.74	250,000	0	0	0	250,000
26.10.2001	RM4.41	62,500	0	0	0	62,500
		6,245,750	0	2,250	175,000	6,068,500
					2004 '000	2003 '000
Number of share options vested at balance sheet date					6,069	6,069

Details relating to options exercised during the period are as follows:

Exercise date	Fair value Of shares at Share issue date RM/share	Exercise Price RM/share	Year ended 31.3.2004	Number of shares issued Year ended 31.3.2003
April 2002	6.15 - 6.30	3.92	0	52,000
May 2002	5.70 - 6.10	3.92	0	18,000
June 2002	5.70 - 5.75	3.92	0	5,000
July 2002	5.85	3.92	0	10,000
August 2002	5.50	3.92	0	15,000
October 2002	4.84 - 5.45	3.92	0	18,000
December 2002	5.00 - 5.15	3.92	0	23,000
January 2003	4.60 - 5.10	3.92	0	34,000
			0	175,000

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the list of option holders and their holdings except for those employees who have been granted options over 220,000 and above ordinary shares of RM1.00 each pursuant to the ESOS, as follows:

Name of employee	Number of options over ordinary shares of RM1.00 each			
	As at 1.4.2003	Granted	Exercised	As at 31.3.2004
Syed Ahmad bin Abu Bakar	937,500	0	0	937,500
Ong Puay Koon	937,500	0	0	937,500
Tan Hee Chai	937,500	0	0	937,500
Dato' Ang Liang Kim	812,500	0	0	812,500
Robert Ng	277,500	0	0	277,500
Yen Yew Ming	225,000	0	0	225,000

27 SHARE CAPITAL (CONTINUED)

(b) EMPLOYEE SHARE OPTION SCHEME (CONTINUED)

	2004 RM'000	2003 RM'000
Ordinary share capital - at par	0	175
Share premium	0	511
Proceeds received on exercise of share options	0	686
Fair value at exercise date of shares issued	0	5.56

The fair value of shares issued on the exercise of options is the mean market price at which the Company's share were traded on the Bursa Malaysia Securities Berhad on the day prior to the exercise of the options.

28 REDEEMABLE CONVERTIBLE LOAN STOCKS

On 26 March 2004, the Company 51% owned subsidiary, Bintai Kindenko Pte Ltd issued 5,000,000 5-year 3% Redeemable Convertible Loan Stocks ("RCLS") at a nominal value of \$1 each for cash to finance the operations of the subsidiary.

The main features of the RCLS are as follows:-

- The RCLS are repayable at any time prior or on 2 March 2009 at any part or 100% of its nominal value unless converted into the subsidiary's ordinary shares at the option of the subsidiary.
- The RCLS are convertible at any time prior or on 2 March 2009 into new ordinary shares of the subsidiary at the conversion rate of 1 RCLS for one ordinary share of \$1 each at the option of the subsidiary.
- The new ordinary shares allotted and issued upon conversion of the RCLS will be considered as fully paid-up and rank pari passu in all respect with the existing ordinary shares of the subsidiary.
- The RCLS shall bear simple interest from the issue date at 3% per annum and shall be cumulative and become immediately due and payable to RCLS stockholders upon redemption of the RCLS.
- In the event that the subsidiary exercise its Conversion Right in respect of any part of the RCLS, the RCLS stockholders hereby waive all and any rights to the repayment of interest in respect of such part of the RCLS and the subsidiary shall have absolute right to such interest.
- The RCLS are wholly owned by the Holding Company, Bintai Kinden Corporation Berhad.

29 RETAINED EARNINGS

Subject to agreement with the relevant tax authorities, the Company has sufficient tax credits under Section 108(6) of the Income Tax Act, 1967 to frank all its retained earnings at 31 March 2004 if paid out as dividends.

The Company has tax exempt income amounting to approximately RM9,547,000 (2003: RM9,547,000) available for distribution as tax exempt dividends.

30 SIGNIFICANT RELATED PARTY DISCLOSURES

The related parties and their relationships with the Group and Company are as follows:

Related companies		Relationship
** Kinden Corporation, Japan	(KCJ)	Substantial shareholder
* Bintai Kindenko (M) Sdn Bhd	(BKM)	Related to a director
* Artic Building and Civil Engineering Sdn Bhd	(ABCE)	Related to a director
* Artic Greatwall Sdn Bhd	(AGW)	Related to a director of subsidiary companies
* Artic Builders (M) Sdn Bhd	(ABM)	Related to a director
* Ong Puay Koon Holdings Sdn Bhd	(OPKH)	Related to directors
* MAE Engineering Ltd	(MAE)	Related to directors



30 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

The related parties and their relationships with the Group and Company are as follows:

Related companies		Relationship
* Broadband Access (M) Sdn Bhd	(BAM)	Related to directors of subsidiary companies
* Tahan Kinabalu Holdings Sdn Bhd	(TKH)	Related to a director
* RAS Sdn Bhd	(RAS)	Jointly controlled operations venture partner of a subsidiary company
* Bintai Kinden Education Sdn Bhd	(BKE)	Associated company
* Terra e-Games (M) Sdn Bhd	(TEG)	Related to directors
*** Sun Continental Investment & Trading Pte Ltd	(SCITPL)	Related to directors
*** Fortuna Development Pte Ltd	(FDPL)	Related to directors
* Companies incorporated in Malaysia		
** Company incorporated in Japan		
*** Companies incorporated in Singapore		

During the financial year, the Group and Company undertook various transactions in the normal course of business with its subsidiary companies and with other companies deemed related to the Directors and a substantial shareholder.

The above transactions have been entered on arms length basis.

The significant related party balances at the balance sheet date and significant related party transactions during the financial year are set out below:

	Transactions		Outstanding balance	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Receivables				
Rental income received :				
BKE	0	17	0	0
Contract fees receivable :				
ABCE	327	0	0	0
MAE	3,421	0	3,421	0
Staff secondment salaries received:				
BKE	9	0	9	0
MAE	4	0	0	0
Payables				
Staff secondment salaries paid :				
- TKH	0	8	0	0
- ABCE	79	97	0	0
Rental paid and payable :				
- ABM	129	17	0	17
- BKM	48	48	0	0
- OPKH	109	84	0	0
- FDPL	16	16	0	0
- SCIT	399	391	0	0
Material costs payable :				
KCJ	0	91	0	91
Technical royalty fees paid or payable :				
KCJ	1,647	786	0	786

30 SIGNIFICANT RELATED PARTY BALANCES AND TRANSACTIONS (CONTINUED)

	Transactions		Outstanding balance	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Contract fees paid and payable :				
- AGW	1	28	0	17
- MAE	17,948	0	2,525	0
Contract fees paid and payable :				
company related to directors	20	2,138	0	427
Share of gross revenue due to :				
RAS	0	1,381	0	0

Trade receivables and amounts due from companies related to directors are unsecured, interest free and have no fixed terms of repayment.

Amounts due from/(to) related companies are unsecured, interest free and have no fixed terms of repayment.

31 CONTINGENT LIABILITY - UNSECURED

	Company	
	2004 RM'000	2003 RM'000
Corporate guarantees given to licensed banks for banking facilities extended to subsidiary companies	347,974	150,730
Utilised amount	164,715	53,683

32 COMMITMENTS

	Group	
	2004 RM'000	2003 RM'000
(i) Capital expenditure on property, plant and equipment not provided for in the financial statements are as follows:		
Authorised by the Directors and contracted	34	34
Authorised by the Directors but not contracted	413	0
	447	34
(ii) Other commitments		

The subsidiary company, Kejuruteraan Bintai Kinden Sdn Bhd ("KBK") entered into a Privatisation Agreement on 13 November 2001 with the Datuk Bandar Kuala Lumpur ("DBKL") to carry out a development project at Sentul Perdana, Bandar Baru Sentul, Kuala Lumpur.

Under the Privatisation Agreement, KBK is committed to complete the construction of 196 units of partially completed high cost apartments and to construct 1,973 units of medium cost apartments including public amenities and 1 unit of community hall, for the benefit of DBKL with a minimum guaranteed profit of RM5,083,795. (2003 : RM5,083,795).



33 SEGMENT REPORTING

The Group is organised into four main business segments:

- (i) Construction - undertake turnkey construction project and mechanical and engineering services
- (ii) Property development - the development of residential and commercial properties
- (iii) Investment holding - investment holding and provision of management services
- (iv) Property investment - investment in residential and commercial properties

(a) Primary reporting format - business segments

	Construction RM'000	Property development RM'000	Investment holding - property RM'000	Investment holding RM'000	Total RM'000
<u>2004</u>					
<u>Revenue</u>					
Total revenue	377,703	40,136	404	2,609	420,852
Intersegment revenue	(36,005)	0	(331)	(2,609)	(38,945)
External revenue	341,698	40,136	73	0	381,907
<u>Results</u>					
Segment results	15,252	3,722	(3)	4,465	23,436
Unallocated income					3,496
Unallocated costs					(19,605)
Profit from operations					7,327
Finance cost					(637)
Associated companies					(797)
Profit from ordinary activities before tax					5,893
Tax					(4,243)
Profit from ordinary activities after tax					1,650
Minority interest					0
Net profit for the financial year					1,650
<u>Other information</u>					
Segment assets	408,674	51,444	12,670	28,262	501,050
Associated companies					5,900
Unallocated assets					43,328
Total assets					550,278
Segment liabilities	423,218	11,805	2,464	1,099	438,586
Unallocated assets					2,090
Total liabilities					440,676
Capital expenditure					2,607
Depreciation					1,546
Amortisation of goodwill					337

33 SEGMENT REPORTING (CONTINUED)

(a) Primary reporting format - business segments (continued)

	Construction RM'000	Property development RM'000	Investment holding - property RM'000	Investment holding RM'000	Total RM'000
<u>2003</u>					
<u>Revenue</u>					
Total revenue	111,623	42,088	0	9,646	163,357
Intersegment revenue	0	0	0	(9,610)	(9,610)
External revenue	111,623	42,088	0	36	153,747
<u>Results</u>					
Segment results	4,999	1,286	0	26	6,311
Unallocated income					6,072
Unallocated costs					(11,624)
Profit from operations					759
Finance cost					(561)
Associated companies					(640)
Profit from ordinary activities before tax					(442)
Tax					(4,143)
Profit from ordinary activities after tax					(4,585)
Minority interest					4,484
Net loss for the financial year					(101)
<u>Other information</u>					
Segment assets	150,431	36,230	0	26,296	212,957
Associated companies					7,010
Unallocated assets					40,575
Total assets					260,542
Segment liabilities	137,482	9,644	0	908	148,034
Unallocated assets					1,714
Total liabilities					149,748
Capital expenditure					1,337
Depreciation					1,324
Amortisation of goodwill					136

Segment assets consist primarily of intangible assets, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities and exclude items such as taxation.



33 SEGMENT REPORTING (CONTINUED)

(b) Secondary reporting format - geographical segments

The Group's business segments are managed in Malaysia and Singapore.

- Malaysia - mainly construction activities
- Singapore - mainly mechanical and engineering services

	Revenue		Total assets		Capital expenditure	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Malaysia	338,428	122,168	419,346	182,843	1,129	1,092
Singapore	43,479	31,579	81,704	30,114	1,478	245
	<u>381,907</u>	<u>153,747</u>	<u>501,050</u>	<u>212,957</u>	<u>2,607</u>	<u>1,337</u>
Associated company			5,900	7,010		
Unallocated assets			43,328	40,575		
			<u>550,278</u>	<u>260,542</u>		

34 FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The operations of the Group are subject to a variety of financial risks, including credit risk, foreign currency exchange risk, interest rate risk, liquidity risk and cash flow risk. The Group has formulated guidelines and policies as well as internal controls which seek to minimise the Group's exposure to risks associated with the financing, investing and operating activities of the Group.

(i) Credit risk

The Group has a credit policy in place to evaluate customers requiring credit over a certain amount or period. Credit risk is further minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reporting procedures.

(ii) Foreign currency exchange risk

The Group is not exposed to any significant foreign currency risk, other than its 51% owned subsidiary company, Bintai Kindenko Pte Ltd which operates in Singapore and whose revenue and expenses are denominated exclusively in Singapore Dollar.

(iii) Interest rate risk

The Group's primary interest rate risk relates to interest-bearing debts. The investment in financial assets are mainly short term in nature and they are not held for speculative purposes but have been placed in such investments which yield better returns than cash at bank.

(iv) Liquidity risk and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash and cash equivalents to meet its working capital requirements and prudently balances its portfolio of short term and long term funding requirements.

35 ACQUISITION OF SHARES IN A SUBSIDIARY COMPANY

On 23 December 2003, Kejuruteraan Bintai Kindenko Sdn Bhd paid RM6.00 in cash to subscribe for the entire balance of the equity interest in Landas Timur Sdn Bhd.

As a result, on 23 December 2003, Landas Timur Sdn Bhd, formerly an associate, become a subsidiary of the Company, and the Group's shareholding in Landas Timur Sdn Bhd increased from 40% to 100%.

The effect of this acquisition on the financial results of the Group:

	2004 RM,000
Operating cost	189
Tax	68
Increase in Group expenses	<u>257</u>

The effect of this acquisition on the financial position at the financial year end is as follows:

	RM
Bank balances	1,000
Payables	4,524
Provision for taxation	67,500
Increase in Group net liabilities	<u>73,024</u>

Detail of net assets/(liabilities) acquired reserves and cash flow arising from the acquisition are as follows

	<u>At date of acquisition</u> RM
Cash balances	10
Other payables	(3,335)
Fair value of net liabilities acquired at December 23, 2003	(3,325)
Reserves on consolidation	3,331
Cost of acquisition	<u>6</u>
Total purchase consideration discharged by cash	6
Less: Cash & cash equivalents of subsidiary acquired	(10)
Cash inflow of the Group on acquisition	<u>(4)</u>

Reserve on consolidation arising from this acquisition has been credited to income statement at date of acquisition.

36 APPROVAL OF FINANCIAL STATEMENTS

The financial statement have been approved for issue in accordance with a resolution of the Board of Directors on 30 June 2004.



Statement By Directors

Pursuant To Section 169(15) Of The Companies Act, 1965

We, Syed Ahmad Bin Abu Bakar and Dato' Ang Liang Kim, two of the Directors of Bintai Kinden Corporation Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 35 to 76 are drawn up so as to give a true and fair view of the state of affairs of the Group and Company as at 31 March 2004 and of the results and cash flows of the Group and Company for the financial year ended on that date in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

Signed on behalf of the Board of Directors in accordance with their resolution dated 30 June 2004.

SYED AHMAD BIN ABU BAKAR
VICE CHAIRMAN

DATO' ANG LIANG KIM
DIRECTOR

Kuala Lumpur

Declaration

Pursuant To Section 169(16) Of The Companies Act, 1965

I, Goh Kong Teng, the Director primarily responsible for the financial management of Bintai Kinden Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 35 to 76 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

GOH KONG TENG

Subscribed and solemnly declared by the abovenamed Goh Kong Teng at Kuala Lumpur in Malaysia on 30 June 2004, before me.

Abas bin Hasan
(No.: W178)
Commissioner for Oaths
1st Floor, Putra Flatlet
101, Jalan Putra,
50350 Kuala Lumpur

We have audited the financial statements set out on pages 35 to 76. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been prepared in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
 - (ii) the state of affairs of the Group and Company as at 31 March 2004 and of the results and cash flows of the Group and Company for the year ended on that date; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

The names of the subsidiary companies of which we have not acted as auditors are indicated in Note 14 to the financial statements. We have considered the financial statements of these subsidiary companies and the auditors' reports thereon.

We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act.



**Bintang
Kinden
Corporation
Berhad**
(Company No.
290870-P)

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

THAYAPARAN A/L S. SANGARAPILLAI
(No. 2085/09/04 (J))
Partner of the firm

Kuala Lumpur
30 June 2004

List of Properties

as at 31 March 2004

Location	Land Area/ (Built-up Area)	Tenure	Existing Use	Age of Building	Date of last revaluation/ Date of acquisition	Net Book Value as at 31.03.2004 (RM)
No. 5C, Jalan Semarak 54100 Kuala Lumpur	19,874 sq ft/ (4,885 sq ft)	Freehold	Use as Training Centre	63 years	14/11/1996	4,134,000
Land H.S. (D) 40596 P.T. 13 Lot 101 Section 94A Kuala Lumpur	20,091 sq ft	Leasehold 99 years expiring 12/10/2080	Investment purposes and no immediate plan	N/A	06/03/1987	216,579
Land H.S. (D) 37660 PN6264 Lot 102 Section 94B Kuala Lumpur	14,079 sq ft	Leasehold 99 years expiring 05/04/2080	Investment purposes and no immediate plan	N/A	31/01/1992	197,271
Lot No. 11 CF02 11th Floor, Block C Kompleks Karamunsing 88300 Kota Kinabalu Sabah	(2,472 sq ft)	Leasehold 999 years expiring 2901	Rented out	18 years	03/02/1986	551,752
Lot 152 & 152A Jalan Jasa 5 Taman Jasa Sg. Tua 68100 Batu Caves Selangor Darul Ehsan	3,036 sq ft/ (2,622 sq ft)	Freehold	Owner occupied for storage purposes	16 years	19/09/1986	175,447
Lot 19 Jalan Bagan Terap 26/11 Seksyen 26 Kawasan Perindustrian Hicom, Sektor B 40000 Shah Alam Selangor Darul Ehsan	3,900 sq ft (3,150 sq ft)	Freehold	Branch office and warehouse	11 years	19/06/1991	281,317
Lot 21 Jalan Bagan Terap 26/11 Seksyen 26 Kawasan Perindustrian Hicom, Sektor B 40000 Shah Alam Selangor Darul Ehsan	9,248 sq ft/ (3,150 sq ft)	Freehold	Branch office and warehouse	11 years	19/06/1991	369,307
BL-B/PH-4 Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(5,089 sq ft)	Freehold	For sale	10 years	21/12/1991	731,473
BL-A/4/4B Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(1,711 sq ft)	Freehold	Owner occupied for staff	10 years	21/12/1991	369,642

List of Properties

as at 31 March 2004

Location	Land Area/ (Built-up Area)	Tenure	Existing Use	Age of Building	Date of last revaluation/ Date of acquisition	Net Book Value as at 31.03.2004 (RM)
BL-A/7/1B Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(1,711 sq ft)	Freehold	Owner occupied for staff	10 years	21/12/1991	371,250
BL-A/4/3A Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(1,776 sq ft)	Freehold	Owner occupied for staff	10 years	21/12/1991	381,690
BL-C/6/2D Subang Indera Condominium Jalan USJ 6/2L UEP Subang Jaya 47610 Petaling Jaya Selangor	(2,185 sq ft)	Freehold	For sale	10 years	27/01/1999	382,728
43-0-1, 43-1-1 43-2-1, 43-2-2 Jalan 1/48A Sentul Perdana Bandar Baru Sentul 51000 Kuala Lumpur	2,560 sq ft/ (6,440 sq ft)	Leasehold 99 years expiring 19/09/2087	Head Office	8 years	14/12/1994	523,414
43-0-2, 43-1-2 43-2-3, 43-2-4 Jalan 1/48A Sentul Perdana Bandar Baru Sentul 51000 Kuala Lumpur	1,760 sq ft/ (4,840 sq ft)	Leasehold 99 years expiring 19/09/2087	Head Office	8 years	14/12/1994	480,720
43-0-3, 43-1-3 43-2-5, 43-2-6 Jalan 1/48A Sentul Perdana Bandar Baru Sentul 51000 Kuala Lumpur	1,760 sq ft/ (4,840 sq ft)	Leasehold 99 years expiring 19/09/2087	Head Office	8 years	14/12/1994	480,720
43-0-4, 43-1-4 43-2-7, 43-2-8 Jalan 1/48A Sentul Perdana Bandar Baru Sentul 51000 Kuala Lumpur	1,760 sq ft/ (4,840 sq ft)	Leasehold 99 years expiring 19/09/2087	Head Office	8 years	14/12/1994	480,720



**Bintang
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List of Properties

as at 31 March 2004

Location	Land Area/ (Built-up Area)	Tenure	Existing Use	Age of Building	Date of last revaluation/ Date of acquisition	Net Book Value as at 31.03.2004 (RM)
Lot No. B3-01-03 Pangsapuri Perdana Jalan Lompat Pagar 3/37 Seksyen 13 40675 Shah Alam Selangor Darul Ehsan	(850 sq ft)	Leasehold 99 years expiring 13/04/2094	To be rented out	4 years	19/03/1999	87,568
Lot No. B3-01-07 Pangsapuri Perdana Jalan Lompat Pagar 3/37 Seksyen 13 40675 Shah Alam Selangor Darul Ehsan	(850 sq ft)	Leasehold 99 years expiring 13/04/2094	To be rented out	4 years	19/03/1999	83,003
No. 294 Jalan MacAlister 10450 Georgetown Penang	28,286 sq ft	Freehold	Investment purposes and no immediate plan	22 years	09/01/2001	2,783,058
12-1 Jalan Kajang Perdana 9 Kajang Perdana 43000 Kajang Selangor Darul Ehsan	(1,191 sq ft)	Leasehold 99 years expiring 27/08/2089	To be rented out	3 years	27/11/2000	106,584
13A-1 Jalan Kajang Perdana 9 Kajang Perdana 43000 Kajang Selangor Darul Ehsan	(1,191 sq ft)	Leasehold 99 years expiring 27/08/2089	To be rented out	3 years	27/11/2000	106,584
16-1 Jalan Kajang Perdana 9 Kajang Perdana 43000 Kajang Selangor Darul Ehsan	(1,191 sq ft)	Leasehold 99 years expiring 27/08/2089	To be rented out	3 years	27/11/2000	106,584
18-1 Jalan Kajang Perdana 9 Kajang Perdana 43000 Kajang Selangor Darul Ehsan	(1,191 sq ft)	Leasehold 99 years expiring 27/08/2089	To be rented out	3 years	21/11/2000	106,584
No. 29 Jalan Kenari 10 Lembah Beringin 44110 Kuala Kubu Baru Selangor Darul Ehsan	1,764 sq ft (3,529 sq ft)	Freehold	Under construction	N/A	09/10/2000	-
No. 2 Jalan Chamar 1B/1 Lembah Beringin 44110 Kuala Kubu Baru Selangor Darul Ehsan	3,993 sq ft (1,625 sq ft)	Freehold	To be rented out	3 years	09/10/2000	197,210
No. 15 Jalan Chamar 1B/3 Lembah Beringin 44110 Kuala Kubu Baru Selangor Darul Ehsan	1,430 sq ft (945 sq ft)	Freehold	To be rented out	3 years	09/10/2000	97,636

Analysis of Shareholdings as at 30 June 2004

Authorised Share Capital	:	500,000,000 ordinary shares of RM1.00 each
Issued and Fully Paid-up Share Capital	:	102,362,053 ordinary shares of RM1.00 each (Excluding 1,527,200 Treasury Shares)
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One vote per share

ANALYSIS OF SIZE OF SHAREHOLDINGS AS AT 30 JUNE 2004

Size of Shareholdings	Number of Holders	Total Holdings	Percentage
Less than 100	39	1,934	0.002
101 to 1,000	1,004	930,473	0.900
1,001 to 10,000	2,165	8,924,350	8.634
10,001 to 100,000	486	13,799,471	13.351
100,001 to less than 5% of issued shares	58	29,937,325	28.964
5% and above of issued shares	3	49,768,500	48.150
Total	3,755	103,362,053	100.000

THIRTY LARGEST SHAREHOLDERS

Shareholders	No. of Shares	%
1 Kinden Corporation, Japan	21,348,750	20.65
2 Bintai Holdings (M) Sdn Bhd	18,000,000	17.41
3 Employees Provident Fund Board	6,107,000	5.91
4 HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Inforlec Sdn Bhd (KLM 9654-3A)	3,302,000	3.19
5 UOBM Nominees (Tempatan) Sdn Bhd United Overseas Bank Nominees (Pte) Ltd for Bintai Holdings (M) Sdn Bhd	3,000,000	2.90
6 Thong & Kay Hian Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for MAE Engineering Ltd	2,300,000	2.23
7 Affin-UOB Nominees (Tempatan) Sdn Bhd UOB Kay Hian Pte Ltd for Agronaxis Sdn Bhd	2,211,375	2.14
8 Affin-UOB Nominees (Tempatan) Sdn Bhd UOB Kay Hian Pte Ltd for Harvest Farm Sdn Bhd	2,000,000	1.93
9 Bintai Kinden Corporation Berhad Share Buy Back Account	1,527,200	1.48
10 HLG Nominee (Asing) Sdn Bhd China Minzu Securities Co., Ltd	1,500,000	1.45
11 HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for Mahonia Developments Limited	1,193,750	1.15
12 Lembaga Tabung Haji	1,143,750	1.11
13 HLG Nominee (Asing) Sdn Bhd HSBC Trustee (Singapore) Limited for The Prajna Charitable Star Trust	1,000,000	0.97
14 Harvest Farm Sdn Bhd	1,000,000	0.97
15 Affin-UOB Nominees (Tempatan) Sdn Bhd UOB Kay Hian Pte Ltd for Bintai Holdings (M) Sdn Bhd	1,000,000	0.97
16 RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Puay Koon @ Mah Sock Heng	900,000	0.87
17 Agronaxis Sdn Bhd	788,625	0.76
18 ECM Libra Securities Nominees (Tempatan) Sdn Bhd Petroliam Nasional Berhad	732,500	0.71
19 Affin-UOB Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for Bin Tai Holdings Pte Ltd	700,000	0.68
20 Wong Tok Ming	654,000	0.63
21 Insan Ikram Sdn Bhd	640,000	0.62



**Bintai
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THIRTY LARGEST SHAREHOLDERS

Shareholders	No. of Shares	%
22 HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for Brilliant Shine Group Limited	635,250	0.61
23 Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Puay Koon @ Mah Sock Heng	550,000	0.53
24 HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Insan Ikram Sdn Bhd (KLM 9654-3)	500,000	0.48
25 Kristal Langkawi	400,000	0.39
26 HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for World Phoenix Fund	397,550	0.38
27 HLG Nominee (Asing) Sdn Bhd Commerzbank (SEA) Ltd for Webvoice International Limited	333,850	0.32
28 PRB Nominees (Tempatan) Sdn Bhd Rubber Industry Smallholders Development Authority	328,125	0.32
29 Thong & Kay Hian Nominees (Asing) Sdn Bhd UOB Kay Hian Pte Ltd for Wang Cheng Li	318,750	0.31
30 Alliancegroup Nominees (Tempatan) Sdn Bhd Pheim Asset Management Sdn Bhd for Employees Provident Fund	312,750	0.30

SUBSTANTIAL SHAREHOLDINGS AS AT 30 JUNE 2004

	No of shares held		Percentage	
	Direct	Indirect	Direct	Indirect
Bintai Holdings (M) Sdn Bhd	22,000,000	-	21.28	-
Kinden Corporation	21,348,750	-	20.65	-
Employees Provident Fund Board	6,419,750	-	6.21	-
Ong Puay Koon	1,645,000	22,700,000	1.59	21.96
Ong Choon Lui	-	24,345,000	-	23.55

DIRECTORS' SHAREHOLDINGS

	No of shares held		Percentage	
	Direct	Indirect	Direct	Indirect
Syed Ahmad bin Abu Bakar	15,000	-	0.01	-
Ong Puay Koon	1,645,000	22,700,000	1.59	21.96
Dato' Ang Liang Kim	128,125	-	0.12	-
Goh Kong Teng	48,000	-	0.05	-
Tan Hee Chai	15,000	-	0.01	-
Teo Tong Kooi	200,000	-	0.19	-
Ahmad Razlan bin Tan Sri Dato' Seri Ahmad Razali	-	15,000	-	0.01
Ong Choon Lui	-	24,345,000	-	23.55
Peter John Farrar	-	-	-	-
Wan Mohd Shukri bin Dato' Ariffin	-	-	-	-
Shinichi Kotoku	-	-	-	-

Branch Offices of the Group

Malaysia:

Shah Alam

No. 19 & 21
Jalan Bagan Terap 26/11, Seksyen 26
Kawasan Perindustrian HICOM, Sektor B
40000 Shah Alam
Selangor Darul Ehsan
Tel No: 03-5191 5505
Fax No: 03-5191 5458

Melaka

145, Jalan Hang Jebat (Jonker Street)
75200 Melaka
Tel No: 06-282 3876/06-284 0655
Fax No: 06-284 8748

Penang

17, Ground & First Floor
Jalan Perai Jaya 4
Bandar Perai Jaya
13700 Perai
Pulau Pinang
Tel No: 04-390 9220/04-390 3220
Fax No: 04-397 9220

Johor Bahru

No. 69, Jalan Kempas 2/1
Taman Perindustrian Tanah Tampoi
Jalan Tampoi
81200 Johor Bahru
Johor Darul Takzim
Tel No: 07-238 9357/07-238 9358
Fax No: 07-238 9351

Kota Kinabalu

Unit No. 1-1-2, Lot 12
1st Floor, Block B
Plaza Juta, Likas
Jalan Tuaran
89400 Kota Kinabalu
Tel No: 088-439592/088-439596
Fax No: 088-422 060

Kuching

Lot 8.04, 8th Floor
Wisma Saberka
Jalan Tun Abang Haji Openg
93000 Kuching
Sarawak
Tel No: 082-410 895
Fax No: 082-420 398



Bintang
Kinden
Corporation
Berhad
(Company No.
290870-P)

Proxy Form



**Bintai Kinden
Corporation Berhad** (290870-P)

No. of shares held

I/We _____
of _____
being a member/members of the abovenamed Company, hereby appoint
_____ of _____
or failing him/her _____
of _____
or failing him/her THE CHAIRMAN OF THE MEETING as my/our proxy, to vote for me/us and on my/our behalf at the Tenth Annual General Meeting of the Company, to be held at Grand Prince Ballroom, Level 3, Prince Hotel & Residence Kuala Lumpur, Jalan Conlay, 50450 Kuala Lumpur on Wednesday, 25 August 2004 at 12.00 noon and at any adjournment thereof.

No.	Resolution	For	Against
1.	Adoption of Reports and Financial Statements		
2.	Approval of Dividend		
3.	Re-election of Ong Puay Koon as Director		
4.	Re-election of Peter John Farrar as Director		
5.	Election of Goh Kong Teng as Director		
6.	Election of Wan Mohd Shukri bin Dato' Ariffin as Director		
7.	Election of Shinichi Kotoku as Director		
8.	Re-appointment of Syed Ahmad bin Abu Bakar as Director		
9.	Approval of Directors' fees		
10.	Re-appointment of PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration		
11.	Ordinary Resolution No. 1 – Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965		
12.	Ordinary Resolution No.2-Proposed Share Buy-Back		
13.	Ordinary Resolution No.3- Proposed Shareholders' Mandate for recurrent Related Party Transactions		

Please indicate with an "X" against each resolution how you wish your proxy to vote. In the absence of specific directions, the proxy will vote or abstain at his discretion.

Dated this _____ day of _____ 2004

Signature _____

Notes:

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy/proxies to attend and vote on his behalf. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member appoints two or more proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hands of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal, or the hand of its attorney duly authorised.
4. The Proxy Form must be deposited at the Registered Office of the Company at No. 43-0-2, Jalan 1/48A, Sentul Perdana, Bandar Baru Sentul, 51000 Kuala Lumpur not less than forty-eight (48) hours before the time fixed for the meeting or any adjournment thereof.

Fold here



Bintai Kinden Corporation Berhad (290870-P)
No. 43-0-2, Jalan 1/48A
Sentul Perdana
Bandar Baru Sentul
51000 Kuala Lumpur

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