



Since 1975

BINA PURI HOLDINGS BHD

PRESS RELEASE

BUSINESS TIMES

29 May 2009

BINA PURI EYES MINING SECTOR TO BOOST INCOME

By Sharen Kaur

CONSTRUCTION group Bina Puri Holdings Bhd (5932) is exploring the idea of moving into the mining of mineral resources in southern Malaysia and Cambodia as it seeks to grow.

Executive chairman Datuk Mohamed Feisal Ibrahim said Bina Puri was looking at sand, coal and tin mining, among other things.

"As a public-listed group, we have to keep on looking at projects and new business options to create another flow of recurring income.

"We are studying the data on mineral and verifying to see if it is a viable business. It's a new area for us, but we have associate companies with experience in this," Mohamed Feisal said yesterday after its shareholder meeting in Selayang, Selangor.

He said Bina Puri, which is involved in construction, property, highway concession, quarry and manufacturing, is open to new business that can bring in good recurring income.

As for its existing operations, Bina Puri wants to raise its gross profit margin by 3-5 per cent a year. The margin stands at 12 per cent currently.

If the prices of raw materials stay at current levels, Bina Puri will be able to improve its margins gradually.

"Costs of raw materials have stabilised, bearing that the oil price remains at the current level. The highest costs in construction are cement, steel bars, copper and wiring cables. If oil price goes up, so will the prices of these materials,

including bitumen. Then it would be difficult to set a target," Mohamed Feisal said.

Bina Puri also hopes to maintain or surpass its 2008 revenue and net profit this year.

The group has an order book of RM3.6 billion, RM2.3 billion of which has yet to be booked into its accounts.

It also has debt of RM156 million which it plans to cut by RM20 million via a debt-capitalisation exercise.

Under the plan, it will issue 20 million new shares to privately-held Bumimaju Mawar Sdn Bhd. Bumimaju has given advances to Bina Puri for working capital.

For further information, please contact:

CIK SURATI SUJOR
Group Corporate Communication Department
BINA PURI HOLDINGS BHD
Tel : 03-6136 3333 (3005)
Fax : 03-6136 9999
E-mail: surati@binapuri.com.my