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Bina Puri seeks more time for klia2

Says delay caused by changes to terminal's design

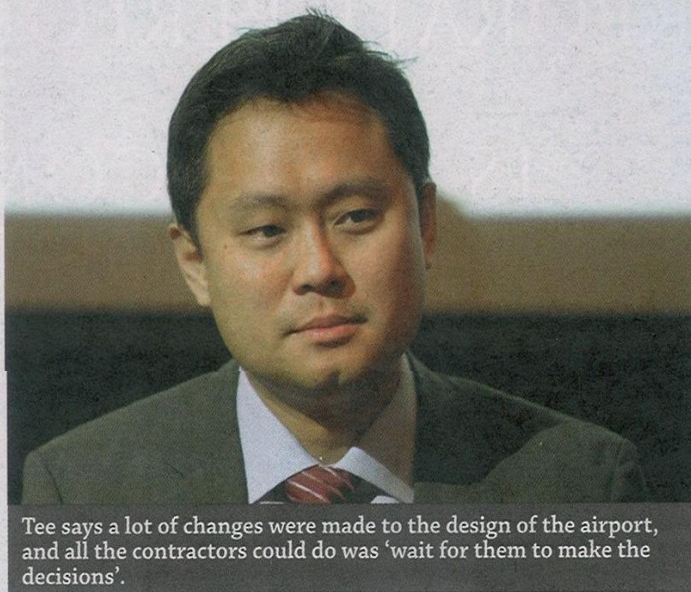
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KUALA LUMPUR: Bina Puri Holdings Bhd is seeking a third extension of time (EOT) until September or October to carry out minor additional works at klia2, the new low-cost carrier terminal, said executive director Matthew Tee.

He is however confident the company will not be obliged to pay compensation for its failure to meet construction deadline as the delay was caused by the changes made to the design of the terminal.

"A lot of changes were made to the design of the airport, like whether or not to include the passenger aerobridge. AirAsia [Bhd] didn't want it but MAHB [Malaysia Airports Holdings Bhd] wanted to include it. So as far as the contractors were concerned, all we could do was wait for them to make the decisions," he said.

"MAHB has approached all the contractors involved, not just us. However, we also have the grounds to appeal for an extension of time without incurring the LAD [liquidat-



Tee says a lot of changes were made to the design of the airport, and all the contractors could do was 'wait for them to make the decisions'.

ed and ascertained damages)," Tee told reporters after the company's briefing for investors yesterday.

"MAHB would have to look back at all the contracts they issued to find out which contractor is taking longer to complete their part of the project and find out why. If for some reason it turns out that we have to pay, then it will only happen after the lapse of the deadline for the

time extension," he said.

Due to the delay in the completion of klia2, MAHB is seeking damages from its contractors. Interestingly, MAHB issued a one-line statement late yesterday to reiterate that LAD would be imposed on contractors that had breached contractual obligations.

Tee said his company's request for a third extension is still pending

approval, but noted that the application was made a few months ago through its consortium with UEM Construction Sdn Bhd.

The first EOT was given until April 2012, while the second extension deadline is June 15.

Bina Puri and UEM Construction's 40:60 joint venture company is responsible for the construction of the terminal and satellite buildings, the link bridge between the buildings as well as several sector piers to the sides of both buildings.

According to Tee, Bina Puri had completed 93% of its portion of the klia2 project. He said as far as the group is concerned, it has more or less delivered what it was supposed to do.

Apart from its involvement in klia2, Bina Puri is also involved in the extension of the Ampang LRT line, worth RM1.1 billion, which is expected to be completed in July 2014.

Bina Puri's wholly owned unit, Bina Puri Sdn Bhd, had also received a letter of award from a consortium consisting of Apex Energy Sdn Bhd and PT Rekayasa Industri for a RM22.4 million contract in Sabah.

The company's current order book stands at RM1.7 billion.

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