

Calendar of Event 1999 / 2000

MAY '99

4th May 99]

Konsortium Bina Puri-Panzana (Nilai) Sdn Bhd was awarded the proposed Nilai Interchange (Segment 1), a project located at KL-Seremban Expressway, approximately 1km away from the existing Nilai Toll in the South and the ELITE Interchange towards the North.



22nd May 99]

For the first time, Bina Puri Group of Companies participated in General Assembly in Conjunction with Labour Day '99 at Putra Stadium, National Sports Complex, Bukit Jalil.

26th May 99]

The 1st General Assembly was held at the Kota-Kinabalu Sulaman Coastal Road Project Site for Sabah staff.



JUNE '99



27th June 99]

Bina Puri, Sabah Family Day organised at Shangri-La's Rasa Ria Resort, Pantai Dalit, Tuaran.

AUGUST '99

28th-30th August 99

106 members of Kelab Sukan & Sosial Bina Puri trekked into one of the world's oldest rainforest, Taman Negara Malaysia together with the Group Managing Director.



SEPTEMBER '99

20th-21st September 99

Bina Puri participated in exhibition during the 'Launching of Perlis Public Housing' officiated by The Prime Minister, Yang Amat Berhormat Dato Seri Dr Mahathir Mohamed at Kangar, Perlis.



OCTOBER '99



3rd-9th October 99

Bina Puri Group of Companies participated in the XXIst World Road Exhibition and Congress '99 held at Putra World Trade Centre, Kuala Lumpur.

5th October 99

Minister of Roads and Public Works, Kenya, His Excellency The Honourable Eng. Andrew C. Kiptoon paid a courtesy call on Y.Bhg Dato' Mohamed Feisal Ibrahim, Executive Chairman, BPHB at Wisma Bina Puri.



16th October 99]

Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agung, Sultan Salahuddin Abd Aziz Shah received a contribution worth RM 40,000 from Bina Puri Group of Companies for the Dana Bakti Pahlawan at Mandarin Hotel.



NOVEMBER '99



November 99]

The largest on-going civil project in Sabah, the Kota Kinabalu-Sulaman Coastal Road, a project under Bina Puri Construction Sdn Bhd completed the construction of its major bridge, the 370 meter Sg Mengkabong Bridge.



6th November 99]

A delegation from Bina Puri Group of Companies participated in the 6th World Congress on Intelligent Transport System in Toronto, Canada.



6th November 99]

Bina Puri 3rd Golf Tournament was organised at Sungai Long Golf and Country Club.



11th/12th & 24th/ 26th November 99]

47-staff members of Bina Puri Group of Companies attended a 2-day training on Effective Meetings & Negotiation Skills held at Federation of Malaysian Manufacturers Institute of Manufacturing (FMM).

13th November 99

More than 35-team of KSSBP members participated in Bina Puri Treasure Hunt, started from Wisma Bina Puri to Paradise Lagoon Hotel, Port Dickson, N. Sembilan.

**23rd November 99**

Bina Puri Construction Sdn Bhd received the Quality Certification Scheme from SIRIM. It was presented by the President & CEO of SIRIM Bhd, Dr Mohd Ariffin Hj Aton, at Sunway Lagoon Resort Hotel.

DECEMBER '99**December 99**

The completed 20-storey Wisma Innoprise, the new corporate office for Innoprise Corporation Sdn Bhd, was officially handed over by Bina Puri Sdn Bhd.

**5th-9th December 99**

10 staff members of Bina Puri Group of Companies were among the Malaysian Delegates led by Master Builders Association Malaysia to participate in the 30th International Federation of Asian and Western Pacific Contractor's Association (IFAWPCA) Convention held in Kathmandu, Nepal.

JANUARY '2000



25th January 2000

Bina Puri Holdings Bhd announced the Best Employee and Best Site Award 1999.

FEBRUARY '2000

23rd February 2000

Bina Puri Holdings Bhd hosted a luncheon with Mentri Besar of Selangor, Yang Amat Berhormat Dato' Seri (Dr) Hj Abu Hassan Omar and the Selangor EXCO members at Casa Mila Restaurant, Bukit Idaman, Selayang, Selangor.



29th February 2000

Kelab Sukan & Sosial Bina Puri presented the Educational Incentive to 5 children of the club's members at the monthly General Assembly at Wisma Bina Puri.

MARCH '2000

3rd March 2000

Maskimi Venture Sdn Bhd, a subsidiary of Bina Puri Group of Companies received an 'Achievement Award' from Zurich Insurance (Malaysia) Bhd as recognition for being an active corporate agents at the Agency Appreciation Dinner held in Plaza Park Hotel, Kuala Lumpur.



10th March 2000

Deputy Minister of Human Resources, Yang Berhormat Dr Abdul Latiff Ahmad visited the Kota Samarahan Industrial Training Institute (ILP) project site.

**16th March 2000**

Sg Long Industries Sdn Bhd completed the laying of Rubberized Asphaltic Concrete Wearing Course using "Bituminas Premium -R", a product designed in collaboration with Petronas Research and Scientific Section for the Construction of Roads and Major Access, Phase 1A-Road Package R1-Protocol Road of The New Federal Government Administration Centre, PUTRAJAYA.

**17th March 2000**

Minister of Human Resources Malaysia, Yang Berhormat Datuk Fong Chan Onn toured the Kota Kinabalu Industrial Training Institute (ILP) project site.

**25th March 2000**

41 members of Master Builders Association Malaysia led by Bina Puri Group Managing Director visited the WestPort, Klang.

28th March 2000

The Chairman of State Housing & Local Government of Perlis, Yang Berhormat Dato' Khor Liang Tee representing Mentri Besar Perlis, Yang Amat Berhormat Dato' Seri Shahidan Kassim officiated the launch of Taman Berseri Murni, Perlis.



30th March 2000

Konsortium KUB-Bina Puri presented a contribution worth RM80,000 to the Minister of Human Resources, Yang Berhormat Datuk Fong Chan Onn for organising a series of Seminars on Industrial Training Institute (ILP) at a ceremony at Damansara.



APRIL '2000



1st April 2000

Bina Puri Sdn Bhd completed its first overseas 5-star Hotel Project, the Hyatt Regency Kathmandu, Nepal.

2nd April 2000

Representatives from Asian Development Bank (ADB) and National Highways Authorities of India toured Bina Puri Kondapalli Quarry, the largest quarry in India and visited the Vijayawada-Eluru site project at Andhra Pradesh, India.



10th-16th April 2000

Bina Puri Group of Companies participated in a technical visit to Japan organised by Master Builders Association Malaysia (MBAM) on invitation by the Overseas Construction Association of Japan, Inc. (OCAJI)

25th April 2000]

Bina Puri Group Managing Director, Y.Bhg Datuk Tee Hock Seng, JP meeting the Minister of Public Works, Indonesia, The Honourable Bapak Rozik Soetjipto at the Minister's Office, Jakarta, Indonesia.



18th April 2000]

Bina Puri Holdings Bhd announced the Overseas Appreciation Award.

26th April 2000]

Chief General Manager of National Highways Authority of India, Mr S.C Saluja, paid a courtesy visit to Wisma Bina Puri.



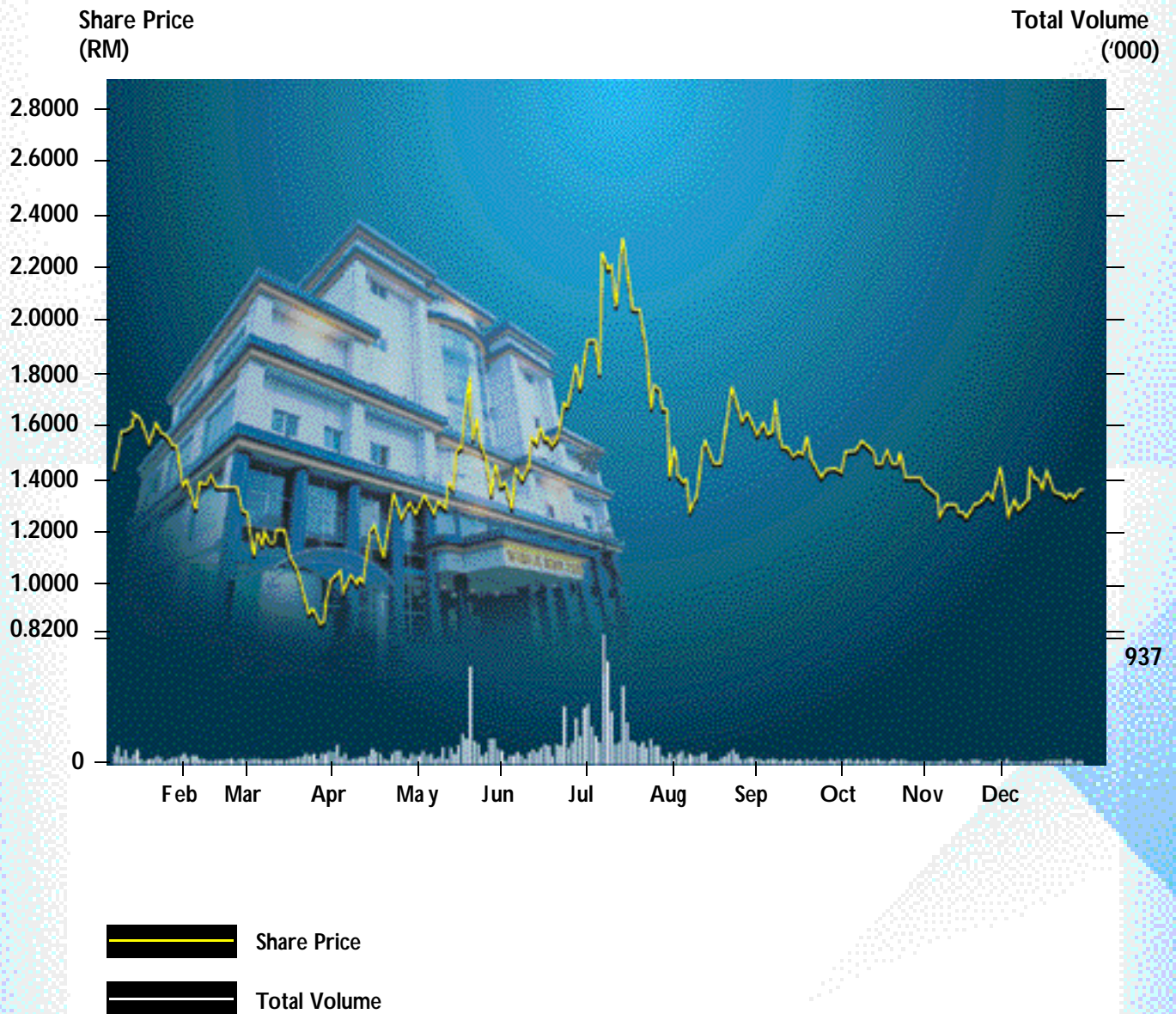
MAY '2000



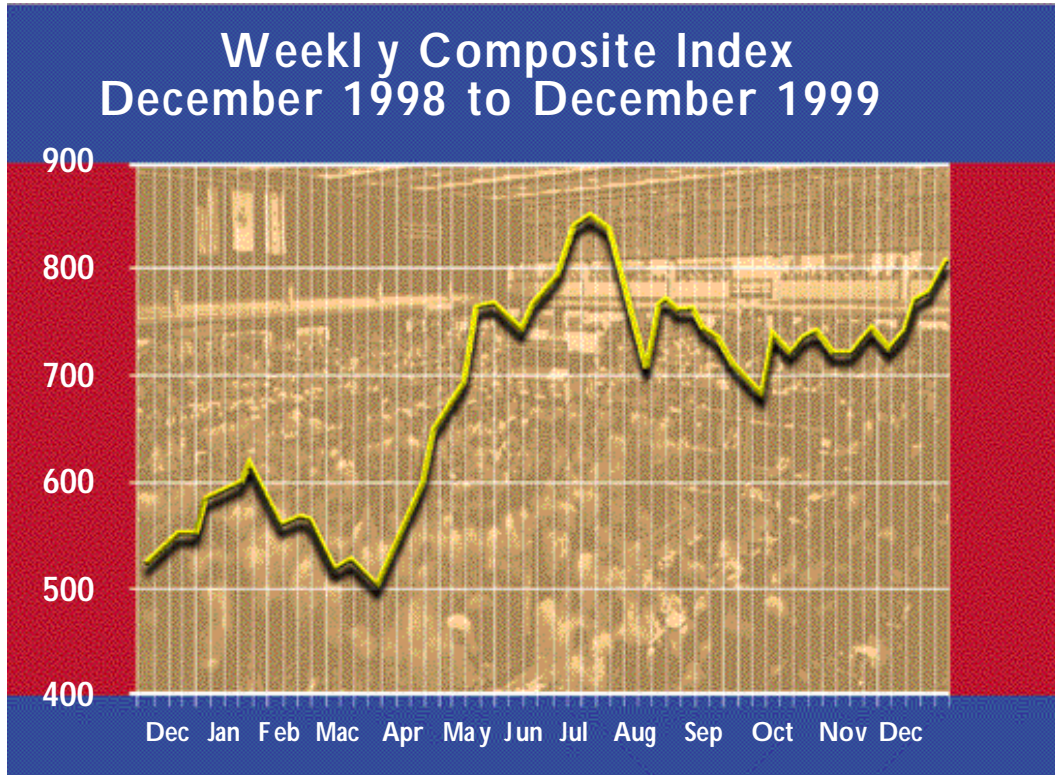
1st - 4th May 2000]

Konsortium KUB-Bina Puri organised a technical visit to witness the testing of transformers at the LG Industrial System Factory in Cheong Ju, which is one of the biggest manufacturers in Korea. Also in the team were representatives from Labour Department, Ministry of Human Resources, Five-H Associates and Kausar Corporation Sdn Bhd.

Share Performance Chart



Mala ysian Economy - *Moving Towards Sustainable Growth In The New Millennium*



1999 Economic Review w]

The Malaysian economy enters the new millennium with a remarkable turnaround from the devastating Asian crisis that began in 1997. In 1999, the Malaysian economy witnessed significant progress in economic recovery with the real GDP growth rebounding from a contraction of 7.5% in 1998 to a growth of plus 5.4%.

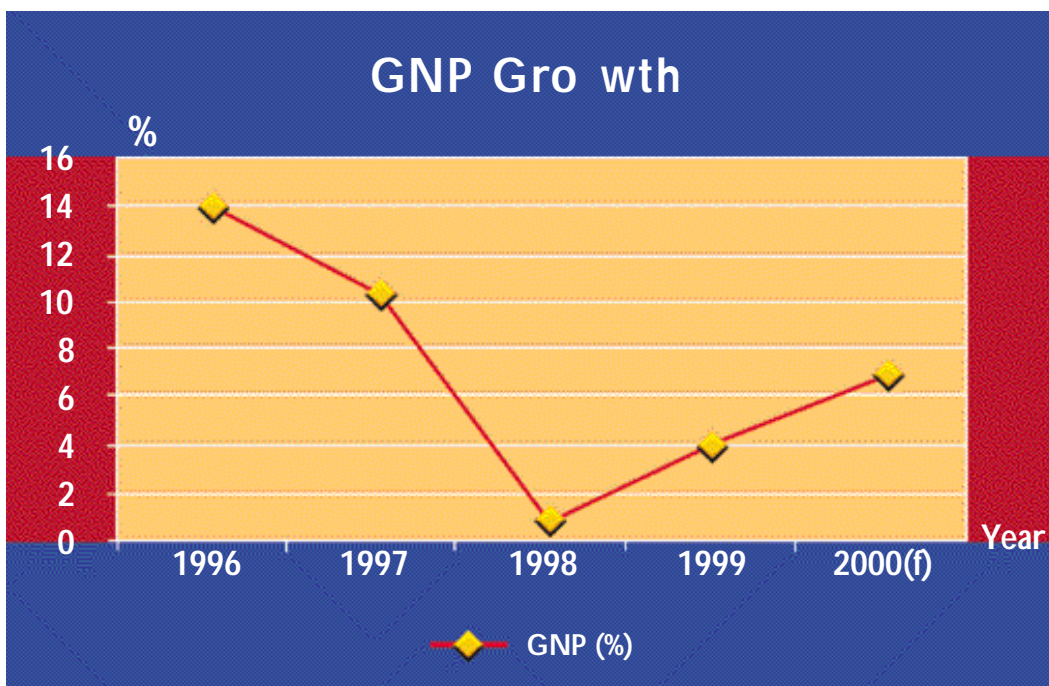
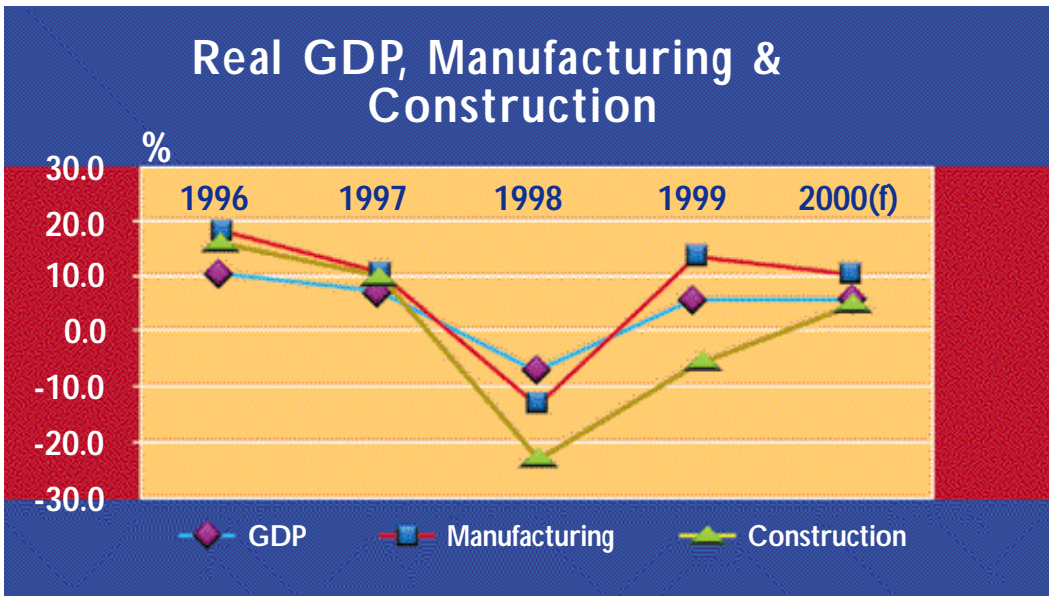
The better than expected performance was due to both external developments and the prompt government policy response to reduce the severity of the Asian crisis on the Malaysian economy. On the external front, world growth picked up 3% in 1999 compared with 2.5% in 1998, reflecting a higher growth in the industrial countries and helped by a strong recovery in Asia. In line with increased economic activities and stronger global demand, growth of world trade sustained at 3.7%. In Malaysia, this translated to the strengthening in the export of electronic products such as semi-conductors, personal computers and other information and communications-related components.

The improved performance of the Kuala Lumpur Stock Exchange reflected the growing confidence that investors had in the recovery and growth prospects of the Malaysian economy. Bullish sentiments in a steady upward trend on the Composite Index started from 591 points at the end of January and ended in December 1999 with 812 points, an increase of 38.6% from a year ago. Helped by no significant outflow of foreign funds from the country on 1st September 1999, this proves that the investors' confidence had returned in the Malaysian economy.

A further strengthening of the balance of payments position and a lower rate of inflation (annual rate decelerating from an average of 5.3% in 1998 to a more moderate rate of 2.8%) accompanied the turnaround in real GDP growth. Trade surplus amounted to RM72.3 billion, which is the largest surplus ever recorded. Boosted by the stronger volume off-take in exports growth of 12% which outpaced imports of 9%, the nation's balance of payments recorded a surplus of RM47.4 billion or 16.9% of GNP in 1999.

On a sectoral basis, the manufacturing sector registered a stronger positive growth of 13.5% in 1999, after a contraction of 13.7% in 1998. This recovery is broad-based, both in domestic and export-oriented industries driven mainly by a stronger than expected recovery in the electronics industry. Subsequently, as stability returned to the financial markets and consumer confidence improved, output growth in the domestic-oriented sector gathered strength from the second quarter of 1999 onward.

The sharp contraction of the construction sector moderated in 1999 to 5.6%, compared to the fall of 23% in 1998. Construction activities continue to be supported by the implementation of infrastructure projects with increased low and medium cost housing development in response to underlying high demand and a lower interest rate. Nevertheless, in this sector, the contraction was attributed by excess space of commercial buildings for office and retail, and higher end condominiums.



New Economic Measures

In the period following the Asian financial crisis, the focus of the Malaysian economic policy was to promote domestic economic recovery through the implementation of expansionary fiscal and monetary policies, a fixed exchange rate and selective controls and a long-term program of restructuring for financial and corporate sectors. With the restoration of economic confidence in 1999, the focus of the economic measures then shifted to address broader based policies designed to sustain growth from a macroeconomic stability viewpoint.

These new policy measures are aimed to increase the domestic value activities and reduce economic vulnerability from over-reliance on exports in the manufacturing sector, particularly electronic products.

Malaysia accelerated the pace of restructuring in the banking system and corporate sectors. This coupled with the Government's intention to

maintain a fixed exchange rate regime will ensure the stability of the local financial markets while structural reforms continue.

With the continued success of Danaharta, Danamodal and CDRC, the restructuring of the banking sector progressed quickly to merging of the local banking institutions. This major exercise has led to a formation of 10 domestic banking groups as anchor bank enabling financial institutions to enjoy increased economies of scale and promoting further investments in information technology to remain competitive and efficient.

The planned 2000 budget continued with a deficit spend indicating the Government's strong commitment to boost domestic demand and strengthen the nation's competitiveness. This budget is also in line with the pragmatic macroeconomic policy established, which places emphasis on more fiscal stimulus as well as providing a conducive environment to revitalize private sector activities.



Outlook in 2000

Growth in the Malaysian economy is expected to gather further momentum in 2000. Underlying this positive outlook is the more favourable external environment and continuation of the expansionary fiscal policy and accommodative monetary measures in strengthening the nation's external reserve position, financial system and corporate sector. Expansion of the global economy is expected to remain strong with output growth of about 4%. The East Asia economies are expected to continue to recover, while the economies in Europe are gradually improving with the US economy remaining strong. In 2000, the real GDP growth in the Asian Newly Industrialized Economies (NIEs) is expected to stabilize around 6.3-6.5% whereas, the combined real GDP growth of the members of ASEAN is projected to improve further to 4.5% together with major Asian industrial countries stabilizing to 2.7%.

In tandem with this favourable projection of regional and world economic outlook, the Malaysian GDP for 2000 is projected to grow at 5.8%. The inflation rate is expected to increase moderately from a low of 2.8% averaging to 3.0% in 2000.

The manufacturing sector will continue to provide the main impetus to economic growth. Prospect for the manufacturing sector remain favourable befitting the strong growth expected in world trade, a robust recovery in the East Asian economies and stronger domestic demand. The export- and domestic-oriented industries are expected to further increase in output to 10% and 9.6% respectively. The sub-sectors that are anticipated to contribute to the improved outlook are the production of electrical products, chemical products, transport equipment and construction-related materials.

Following two successive years of economic contraction, the construction sector is now expected to turn around and grow by 5% spurred by the acceleration of civil engineering works, higher budgetary allocations for the construction and upgrading of roads, bridges, ports and airports,

drainage and irrigation, school, industrial training institutions, hospitals and other health facilities. In addition, the demand for the low and medium cost properties will also stimulate construction activities. Adverse factors that may restrict development activities include the properties overstock of RM29 billion at the end of 1999 and current regulatory guidelines prohibiting banks from financing further developments of new hotels, resorts, office buildings, golf courses, club and shopping complexes.

Malaysia - Sustainable Growth in the New Millennium

Malaysia's recovery from the regional financial crisis was stronger than expected. The nation enters the new millennium with a greater challenge of sustaining long-term economic growth level without experiencing similar imbalances. The trend of globalization and liberalization as well as advancement in information technology is leading to a borderless world. As such, Malaysia needs to develop new areas of growth to improve our national competitive advantage.

The current investment growth strategy adopted by Malaysia is no longer sufficient to meet the challenges in the fast-changing global environment to achieve long-term sustainable growth. Given the need to diversify, the new growth areas identified are the information-communication technology sectors, which will be the key driver to transform Malaysia into a knowledge-based economy.

E-commerce as a new e-economy culture, is now slowly gaining market acceptance and is anticipated to play an increasingly critical role in economic activities in tandem with globalization. Malaysian companies now need to urgently take steps to enhance their ICT-based competitive edge in order to take advantage of the opportunities of the connected society. These new development areas will be very much more IT and serviced focused where the winners will be those with the aggressive

and pragmatic architecture and infrastructure as well as skilled human capital.

In financial markets, the re-inclusion of Malaysia into the Morgan Stanley Capital International Index, which is expected to take place in May 2000, will boost investors' confidence further in the KLSE.

The introduction of the Eighth Malaysia Plan (2001 - 2005) represents an important milestone in which to review Malaysia's strategies to chart the next phase of industrialization and economic development. This new development plan which will be finalized in 2001 is anticipated to provide fresh impetus for national development whilst outlining the framework for future dynamic growth.

However, the Malaysian economy remains vulnerable to several uncertainties. Some of these recognized risks include the possible sharp downturn in the US economy ie. a deep correction

on Wall Street, higher interest rates abroad diverting capital flow away from the region, low private investment disrupting growth and a downturn in the electronic industry which would disrupt local manufacturing outputs.

Another concern is the country's political stability where the victory of Barisan National has removed the worries on the political uncertainty. This then ensures a smoother continuation of the fiscal and monetary policies while providing a steady and sound foundation for future economic growth. The issues of transparency, corporate governance and surveillance needs to be continually addressed to ensure Malaysia can compete in a more efficient and transparent world economic environment.

We believe that the 2000 Malaysian economy will continue to emerge stronger from the downturn experienced towards the end of the 20th century.

Prepared by : Corporate office
April 2000

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3. 1999 Property Market Report, Ministry of Finance, Malaysia