

audit committee's report

REPORT OF THE AUDIT COMMITTEE

The Audit Committee was established on 4 November 1997 to act as a Committee of the Board to fulfill its fiduciary responsibilities relating primarily to business ethic policies and practices and financial management and controls.

MEMBERS

Vice Admiral (Rtd) Dato' Mohamed Zain Mohd. Salleh (Chairman)	- Independent Non-Executive Director
Tan Sri Mohd Shariff Ishak	- Independent Non-Executive Director
Encik Mohamed Tarmizi Tun Dr. Ismail	- Non- Independent Non-Executive Director

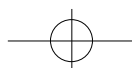
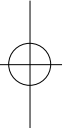
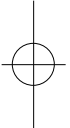
AUTHORITY

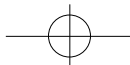
The Committee is authorized by the Board to investigate any activity within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

The Committee has unlimited access to all information and documents relevant to its activities, to the internal and external auditors and senior management of the Company and its subsidiaries. The Committee can obtain outside legal or other independent professional advise if it considers necessary.

TERM OF REFERENCE

1. To review with the external auditors :-
 - the audit plan
 - their evaluation of the system of internal accounting control
 - their audit reports and ensuring that their recommendations regarding major weakness of the management are implemented
 - the audit fees
2. To review with Internal Audit Division
 - the Group's internal control procedures, including organizational and operational controls
 - the Division's scope of work and function
 - the Strategic Audit Plan
 - the results of internal audit procedures and relevant reports
 - the assistance given by the Company's officers to the internal auditors
 - any related party transactions that may arise within the Company or Group
 - regular management information and ensuring that audit recommendations regarding major weakness of management are implemented
 - the Group's accounting policies
3. To recommend to the Board the appointment of the external auditors





STRATEGIC AUDIT PLAN

The Strategic Audit Plan is prepared to set out the objectives and responsibilities of Internal Audit Division, and to assist the Audit Committee in discharging its responsibilities as required by the Kuala Lumpur Stock Exchange.

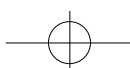
Regular audits on the company and each of its subsidiaries controlled by the company shall be done in accordance with the Strategic Audit Plan. The Audit Committee has approved the Strategic Audit Plan for the year 2000 in its meeting held on 23 March 2000. The Board or the Committee can also request for special audits to be conducted where deemed fit and necessary.

1999 REVIEW

In 1999, the Committee held three meetings and conducted a total of seven audits for the year under review. For these audits, emphasis was placed on the review of operational aspects of the business, which included strategic organizational and managerial audits, performance and efficiency audits of Bumi Armada Berhad Group.

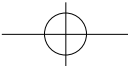
The Committee would like to take this opportunity to express its appreciation to Encik Ahmad bin Abu Bakar for his contribution and advice rendered during his tenure with the committee.

VICE ADMIRAL (RTD) DATO' MOHAMED ZAIN MOHD SALLEH
Audit Committee Chairman



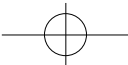
list of vessels

Vessels Name	Year Built	Type	DWT (ton)	Functions
ARMADA 4	1982	Anchor handler	229.00	● anchor handling to offshore rigs and barges
ARMADA 5	1984	Straight supply vessel	905.52	● transports offshore materials
ARMADA 6	1984	Straight supply vessel	905.52	● transports offshore materials
ARMADA 7	1984	Landing craft	337.93	● transports offshore deck cargo ● supply of water and diesel
ARMADA 8	1987	Safety area launch	156.86	● offshore standby duties
ARMADA 9	1987	Safety area launch	156.86	● offshore standby duties
ARMADA 10	1987	Safety area launch	156.86	● offshore standby duties
ARMADA HYDRO	1988	Survey vessels	307.55	● topographic and seismic survey job in oil and gas explo ration
ARMADA MAJU	1990	Landing craft	347.52	● transport offshore deck cargo ● supply of water and diesel
ARMADA CINTA	1990	Oil recovery vessel	432.61	● oil recovery vessel for control of oil pollution
ARMADA TOPMAN	1991	Accommodation workboat	2336.00	● support,maintenance services to offshore rigs and platforms ● accommodates up to 90 men
ARMADA GOODMAN	1991	Accommodation workboat	2286.72	● support,maintenance services to offshore rigs and platforms ● accommodates up to 90 men
ARMADA INDAH	1993	Hose handling vessel	163.34	● hose handling and piloting of tankers and standby duties
ARMADA SATRIA	1995	Safety standby vessel	271.09	● standby duties offshore
ARMADA PUTERA	1994	LPG tanker (capacity: 3,395 gross tonnage)	3395.00	● transports LPG/VCM
ARMADA AMAN	1997	standby vessel/utility	1042.88	● tanker berthing ● maintenance support services
ARMADA TEJA	1997	Oil terminal support vessel	65.48	● tanker berthing
ARMADA LEKIR	1997	Oil terminal support vessel	167.25	● tanker berthing ● fire fighting
ARMADA LEKIU	1997	Oil terminal support vessel	102.82	● berthing tanker
ARMADA TUAH	1997	Oil terminal support vessel	200.33	● tanker berthing ● fire fighting
ARMADA TUAH2	1997	Oil terminal support vessel	200.33	● tanker berthing ● fire fighting
ARMADA TUAH3	1998	LNG Terminal support vessel	149.00	● tanker berthing ● fire fighting
ARMADA TUAH4	1998	LNG Terminal support vessel	149.00	● tanker berthing ● fire fighting
ARMADA TUAH5	1998	Oil terminal support vessel	82.72	● tanker berthing ● fire fighting
ARMADA TUAH6	1998	Anchor handler	456.53	● tanker berthing ● fire fighting
ARMADA IMAN	1999	Accommodation workboat	2935.00	● support,maintenance services to offshore rigs and platforms ● accommodates up to 140 men
ARMADA MUTIARA	1997	Mooring launch	52.36	● tanker berthing ● piloting services
ARMADA MERAK	1997	Mooring launch	53.80	● tanker berthing ● piloting services
ARMADA PERKASA	1975	FPSO (capacity: 32,782 gross tonnage)	59474.00	● for production of crude oil; processing, storing and offloading oil to export shuttle tankers
SILVER PRIDE	1990	LPG tanker	3592.88	● transport LPG
SAZ SUPPLY	1977	Supply vessel	160.00	● transport offshore materials



list of properties

Registered Owner	Location	Existing Description	Use	Tenure	Approximate Age of Building	Land Area / Built Up Area (sq.ft.)	Net Book Value RM '000
HEM	HS(M) 2231 & 2232 PT 12099 & 12100 Mukim Kapar Sg. Rasa, Kelang Selangor	Double storey semi-detached	Workshop and store	Freehold	16 years	4,620 / 4,130	418,000.00
HAISPL	84, Tuas Avenue 11 Jurong Industrial Estate, Singapore	Double storey terrace factory building	Office and factory	Leasehold building expiring on 31.07.2054	6 years	15,112 / 10,329	SGD 1.5 Million (1.498,417.60)
BAN	Lot 704, Block 31 Kemena Land District, Sarawak	Double storey detached industrial building	On lease to third party	Leased building expiring on 23.10.2043	11 years	12,809 / 1,281	RM 360,560 (360,559.72)



analysis of shareholdings as at 30 April 2000

Authorised share capital : RM 100,000,000
 Paid-Up share capital : RM 63,000,000
 Type of share : Ordinary share of RM 1-00 each
 Voting right : 1 vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDING

Size of shareholdings	Shareholders	Percentage	Shareholdings	Percentage
1 - 499	2,327	61.46	111,844	0.18
500 - 5,000	1,257	33.20	1,973,408	3.13
5,001 - 10,000	81	2.14	680,420	1.08
10,001 - 100,000	96	2.54	3,132,097	4.97
100,001 - 1,000,000	19	0.50	6,444,231	10.23
More than 1,000,000	6	0.16	50,658,000	80.41
Total	3,786	100.00	63,000,000	100.00

• Foreign shareholdings 3,266,436 6.71

LIST OF TWENTY (20) LARGEST SHAREHOLDERS

Names	Shareholdings	Percentage
1. Land & General Berhad	29,202,164	46.35
2. Wan Ariff Wan Hamzah	9,672,382	15.35
3. Wan Ariff & Co. Sdn Bhd	4,291,195	6.81
4. Nik Mohd Kamal Nik Yusof	2,920,216	4.64
5. Tengku Fauziah Tengku Zainal Abidin	2,503,043	3.97
6. Amanah Smallcap Fund Bhd	2,069,000	3.28
7. Buena Vista Fund L.P.	728,000	1.16
8. Malaysia Progress Fund	686,000	1.09
9. Kuala Lumpur Savings Fund	680,000	1.08
10. Lembaga Tabung Haji	628,610	1.00
11. Apollo Asia Fund Ltd	600,000	0.95
12. American International Assurance Company Ltd	426,000	0.68
13. Bestform Ltd	416,000	0.66
14. Multi-Purpose Vision Fund	300,000	0.48
15. Fullerton (Private) Limited	249,000	0.40
16. Kuala Lumpur Regular Savings Fund	215,000	0.34
17. Abd Karim Bin Ahmad Tarmizi	180,621	0.29
18. AIA Equity Fund	172,000	0.27
19. Employees Provident Fund Board	157,000	0.25
20. Telekom Malaysia Berhad	150,000	0.24

SUBSTANTIAL SHAREHOLDERS

Name	Direct	No. of Shares Held Indirect	% Of Issued Share Capital
1. Land & General Berhad	-	29,202,164	46.35
2. Wan Ariff Wan Hamzah	-	* 9,672,382	15.35
3. Wan Ariff & Co. Sdn Bhd	-	* 4,291,195	6.81
4. Nik Mohd Kamal Nik Yusof	-	* 2,920,216	4.64
5. Tengku Fauziah Tengku Zainal Abidin	-	* 2,503,043	3.97
6. Amanah Smallcap Fund Bhd	-	* 2,069,000	3.28

Note: * Deemed to have an interest in the shares of the Company held through nominee companies