



IRI's lightweight decorative tiles are ideal for complex roof structures.

Amidst softer trading conditions in the region's building and construction sector, the Division's primary objective has been to develop and supply products that satisfy the specific needs and affordability of its customers.

Malaysian Roofing Industries Sdn Bhd (MRI), the Division's pressed metal roof business unit, operates out of its plants in Nilai, and through its subsidiary, PT Indomalay Ekatana Roofing Industries (IRI) in Jakarta, Indonesia.

MRI serves a niche in the building and construction industry by offering a pressed metal roofing system coated with coloured stone-chips or painted finish which endows any building that uses it with the charm and elegance of natural beauty. Being only one sixth the weight of ordinary concrete or clay tiles, MRI's roofing system is extremely lightweight, and hence structurally cost effective. For longevity in performance, the product's base metal sheets are coated with high quality zinc-aluminium alloy that ensures durable protection against corrosion.

These features have made MRI's roofing system a leading choice of architects for high profile properties such as hotels, resorts, public buildings and condominiums. Notable projects that were completed in 2000 were the refurbishment of the roof at Sri Carcosa Negara in Kuala Lumpur, Burau Beach Resort in Langkawi and the General Hospital in Padang, Sumatera.

In 2000, MRI continued its drive in R&D and introduced new profile designs, called Tropica Shake, for its metal roof products. MRI is also diversifying its product range where it is in various stages of developing and commercializing new industrial and architectural coatings such as roof refurbishment coatings, interior and exterior paints, elastomeric liquid water proofing membrane and concrete sealers.

Building Products DIVISION

PRODUCTS

- Roofing Products
- Glasswool Insulation Products

UNITS

- Malaysian Roofing Industries Sdn Bhd
- PT Indomalay Ekatana Roofing Industries (Indonesia)
- Asia Pacific Insulation Corporation (Philippines)



MRI's Metropolitan range of tiles is durable and requires low maintenance.



MRI is diversifying its product range to include new industrial and architectural coatings.

MRI is in a good position to meet the challenges of the slump presently confronting the domestic construction sector as it exports more than 60% of its products. Besides servicing our regular export markets in ASEAN, South Korea, Taiwan and the Maldives, in year 2000 MRI's roofing products found new customers in the Middle East, Central Europe, and a long-sought-for breakthrough into Japan recently. In the years to come, the strategic direction is to expand the geographical footprint for MRI's products to grow in regions such as China.

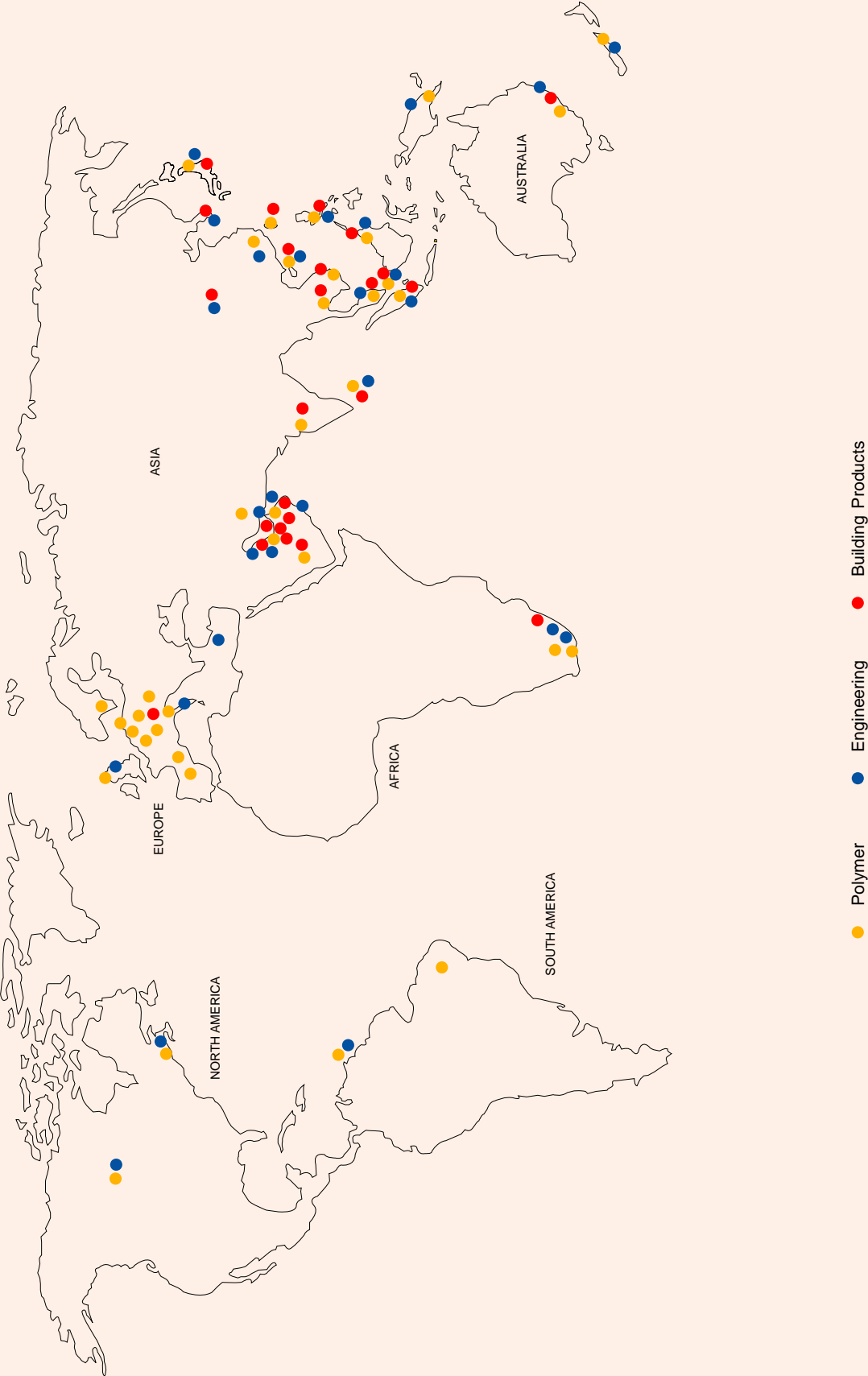
The Division's glasswool insulation operations located in the Philippines continued to face very trying trading conditions in the region. Severe pricing competition, resulting from a surfeit of insulation products available from various producers, was exacerbated by the overall low demand.

The difficulties and pressure notwithstanding, Asia Pacific Insulation Corporation ('APIC'), has endeavoured to at least protect its home turf by ensuring it continues to retain the major slice of demand for acoustic and thermal insulation requirements stemming from commercial, industrial and thermal gas projects that continue to be active, throughout the Philippines islands.



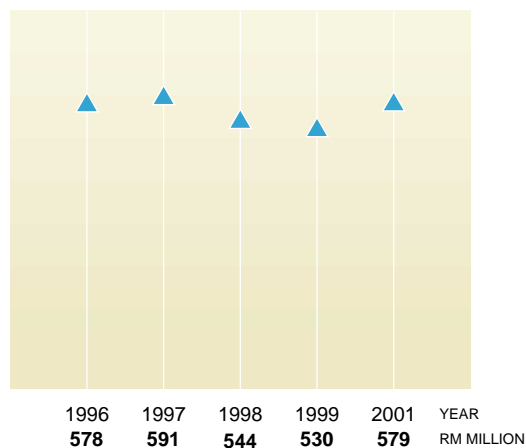
New products, such as the Flexicool insulation batt wrapped in non-fade metallized foil, developed and tailored to meet the specific needs and affordability of customers in the residential and industrial sectors, are being introduced, to ensure APIC's continued presence and visibility in the industry does not diminish.

GLOBAL
market network

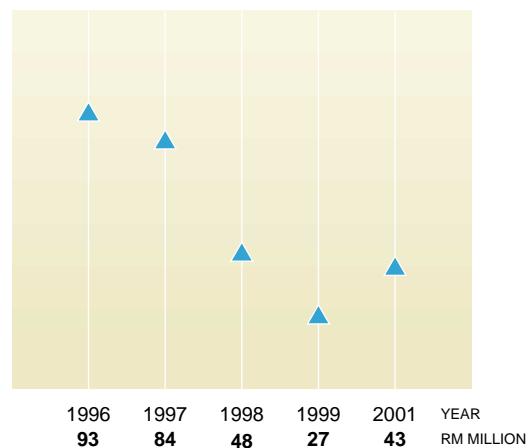


FIVE-YEAR highlights

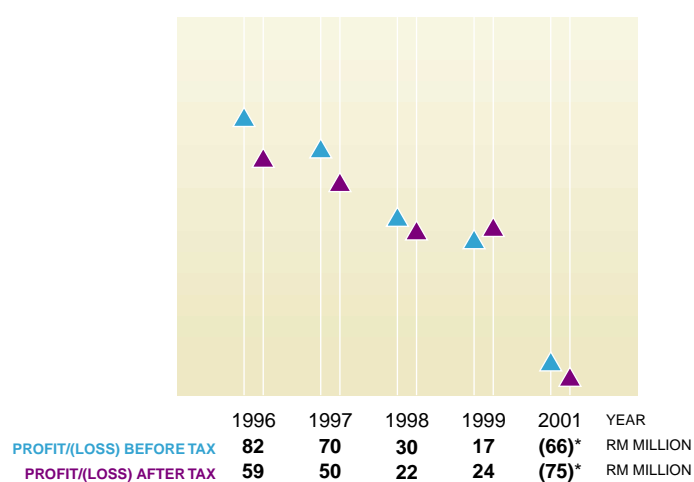
SALES



PROFIT FROM OPERATIONS

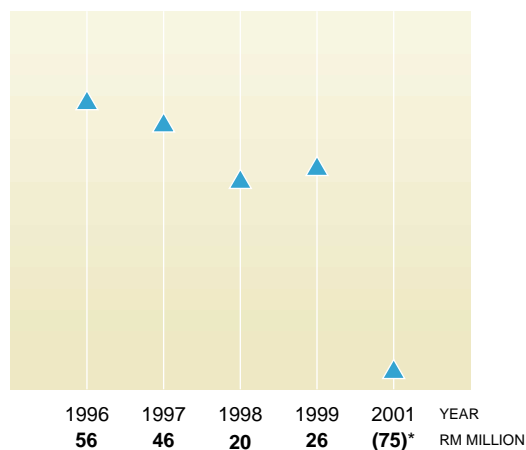


PROFIT



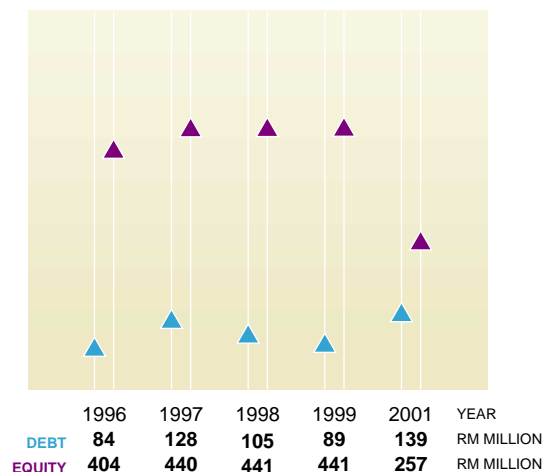
* Including exceptional loss totalling RM96.1 million.

NET EARNINGS/(LOSS) FOR SHAREHOLDERS



* Including exceptional loss totalling RM96.1 million.

DEBT/EQUITY



DIRECTORS' responsibility statement

The following statement, which should be read in conjunction with the Report of the Auditors as set out on page 41 of the annual report, is made with a view to distinguishing the respective responsibilities of the Directors and of the Auditors in relation to the financial statements presented in this annual report.

The Directors are required by the Companies Act, 1965 to prepare financial statements of each financial year which give a true and fair view of the financial position the Company and of the Group as at the end of the financial year and of the results of the business of the Group and of the company for the financial year.

The Directors are responsible for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy the financial position of the Company and of the Group and which enable them to ensure that the financial statements of the Company and of the Group comply with the Companies Act, 1965, and the standards set by the Malaysian Accounting Standards Board.

The Directors, having prepared the financial statements, have requested the Auditors to take whatever steps, undertake inspections, make enquiries they consider to be appropriate for the purpose of enabling them to give their audit opinion.

In the opinion of the Directors, the Company has applied the appropriate accounting policies and standards consistently in preparing the financial statements as set out in pages 42 to 69 of this annual report.