PUTRA NILAI

Property

a) Property Development

The Group's property development business in Putra Nilai achieved a higher turnover due to strong demand for its 'Nilai Square' commercial shop lots launched during the second half of the year. Residential properties particularly single-storey and double-storey terrace houses in Desa Indah and Seri Inai also registered good response from purchasers.

The launching of the 'Nilai 1' wholesale centre in August 2004 has stimulated business activity in Putra Nilai and will create further demand for both residential and commercial properties.



Desa Kolej - Showhouse



Desa Indah - Showhouse

b) Quarrying

Turnover from the Group's quarry operations dropped to RM9.8 million, due to lower prices arising from an over supply situation.

c) Landscaping

The Group's landscaping's business showed further improvement in turnover to RM8.1 million during the year. This was due to its success in securing some major planting jobs and also an increase in landscape maintenance work in Putra Nilai.



Melati Square









The fertilizer business recorded another higher turnover of RM280.9 million, due to strong demand particularly from the oil palm sector arising from high palm oil prices during the year. Higher fertilizer prices also contributed to the increase in sales value.

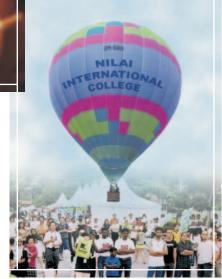
Turnover of agrochemicals reduced to RM14.2 million due to the ban on the importation and use of paraquat. Measures have been taken to alleviate the situation through aggressive marketing of alternatives and the introduction of new products including organic fertilizers.







Nilai International College's performance improved further with revenue increasing to RM28.8 million. New partnership collaborations were concluded with Kingston University, UK; Leeds Metropolitan University, UK; University of East London, UK; Dublin Institute & Technology, Ireland; Southern New Hampshire University, Australia; Swinburne University of Technology, Australia and University of Tasmania, Australia. These collaborations were for courses ranging from Engineering, Biochemistry, Biotechnology, Computing to Hospitality.

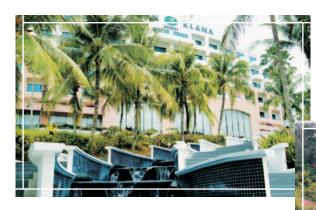


During the year the College commenced the Diploma in Nursing and Diploma in Hotel Management programmes.

The College continues to uplift the range of facilities for the benefit of its students with the addition of a modern café and refurbishment of the hostels.



Management Review (Contd.)



Hotelling & Hospitality



a) Hotelling

Allson Klana Resort Seremban recorded a higher turnover of RM14.5 million resulting in further improvement in overall performance compared to last year. Room occupancy increased from last year but average room rate remains relatively unchanged. As part of the hotel's ongoing refurbishment programme, the rooms are gradually being upgraded to further enhance its status as a premier hotel. The hotel also added four new seminar/meeting rooms and extended its ballroom to meet growing demand.

Allson Klana Bandar Baru Nilai registered a slightly lower revenue of RM5.0 million due to lower room occupancy. However its average room rate was maintained.





b) Hospitality

Nilai Springs Golf & Country Club's turnover remained relatively unchanged. Despite this, the club has further improved its golf course conditions and purchase additional buggies for the benefit of its members.