

TABLE 1

	Audited at 30.06.04	(I) After the disposal of packaging group #	(II) After (I) and the disposal of CGB @	After (II) and the Proposed Disposal
	RM'000	RM'000	RM'000	RM'000
Share capital	112,661	112,661	112,661	112,661
Other reserves	360,862	349,175	295,682	295,682
Retained profits	317,469	383,404	360,516	377,456
Treasury shares	(59,835)	(59,835)	(59,835)	(59,835)
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	206,957	206,957	206,957	206,957
	938,114	992,362	915,981	932,921
Less : Intangible assets	469,689	456,157	447,599	447,599
NTA	468,425	536,205	468,382	485,322
NTA per share (RM)*	1.20	1.51	1.20	1.28

* ICULS is excluded in deriving the NTA per share

Disposal by Guolene Packaging Industries Berhad (a 96.4% owned subsidiary company of HLI) of its entire equity interests in Guolene Packaging & Printing Sdn Bhd, Guolene Woven Products (Melaka) Sdn Bhd, Guolene Plastic Films Sdn Bhd and Packaging Research Centre Sdn Bhd for an aggregate cash consideration of RM133,000,000 to San Miguel Corporation, which was completed on 26 January 2005.

@ Disposal by HLI and HLI Trading Limited (a wholly-owned subsidiary company of HLI), of an aggregate of 80,827,163 ordinary shares of RM1.00 each, representing 27.07% equity interest in Camerlin Group Berhad ("CGB") and RM54,520,949 nominal value of 5.5% 5-year irredeemable convertible unsecured loan stocks 2002/2007 ("ICULS"), representing 43.98% of the outstanding ICULS in CGB, to Brightspring Holdings Limited for an aggregate cash consideration of RM153.7 million, which was completed on 24 March 2005.

MPI PI

	@ USD6.0 mio	
	AD	SHF
Estimated proceeds	(22,800)	22,800
Cost of investment (after RM40 mio write down)		(68,000)
At Co Level	(22,800)	(45,200)
Reversal of write down of investment, at Co level		(40,000)
P&M write down (NBV), at Group level		36,544
Post acquisition lossess @ 30.06.04		65,596
	(22,800)	16,940
Exit of MPI PI debts	(69,000)	
At Group Level	(91,800)	16,940

Hong Leong Industries Berhad
Proposed Disposal of the entire investment in CGB shares and ICULS
As At 30 June 2004

RM'000

EARNING'S IMPACT

CGB - Ordinary shares @30/9/04

Disposal of CGB shares

	<u>HLI</u>	<u>HLIT</u>	<u>Total</u>	
No of shares held	71,762,063	9,065,100	80,827,163	
No of ICULS held	54,521		54,521	
	24.03%	3.04%	27.06%	
Carring cost - at Group				
Investment cost	472,080	36,325	508,405	
Shares of losses @ 30.06.04	(350,170)	(36,325)	(386,495)	
	121,910	-	121,910	1.51
Sales proceeds	86,114	10,878	96,993	
Gain / (loss) on disposal	(35,796)	10,878	(24,918)	

Disposal of CGB ICULS

	<u>HLI</u>	<u>HLIT</u>	<u>Total</u>
No of ICULS held	54,520,949	-	54,520,949
	43.98%	0.00%	43.98%
Cost of investment	54,672	-	54,672
Sales proceeds	56,702	-	56,702
Gain on disposal	2,030	-	2,030

TOTAL

Group Carrying Cost (Excluding Forex Reserves of RM53,493k)	176,582	-	176,582	Forex Reserves	176,582
Sales Proceeds	142,816	10,878	153,694	Per carrying cost	53,493
Total gain/(loss) on disposal	(33,766)	10,878	(22,888)		<u>230,075</u>
EPS (sen)			(10.50)		

HONG LEONG INDUSTRIES BERHAD
As At 30 June 2004

Investment In Associated Companies

	CGB RM'000	Others RM'000	Total RM'000
At cost amount written down			
- Malaysian quoted shares	508,405	-	508,405
At cost	-	43,166	43,166
	508,405	43,166	551,571
Forex reserves	53,493	(1,279)	52,214
Share of losses	(0) (386,495)	25,437	(361,058)
	175,403	67,324	242,727
	2.17		

Other Investment

	CGB RM'000	Others RM'000	Total RM'000
ICULS - CGB	54,672	-	54,672
Foreign quoted related company	-	3,970	3,970
Unquoted shares	-	1,020	1,020
Unquoted convertible preferred stocks & loan stocks	-	795	795
Unquoted floating rate notes	-	18,720	18,720
	54,672	24,505	79,177
At cost less impairment:			
Unquoted shares	-	364,378	364,378
Less: Allowance for impairment in value	-	(71,959)	(71,959)
	54,672	316,924	371,596