MISC Berhad

(Company No. 8178 H)

The figures have not been audited.

Condensed Consolidated Income Statement

For The Period Ended 30 June 2012

		3 Months Ended 30 June		Cumulative 6 Months Ended 30 June	
		2012	**2011**	**2012**	**2011**
		RM'000	**RM'000**	**RM'000**	**RM'000**
		MFRS	**MFRS**	**MFRS**	**FRS & MFRS**
CONTINUING OPERATIONS:					
Revenue		2,486,633	2,590,683	4,791,015	5,102,754
Cost of Sales		(2,049,330)	(1,992,376)	(3,784,216)	(3,817,274)
GROSS PROFIT		**437,303**	**598,307**	**1,006,799**	**1,285,480**
Other operating income		248,298	97,577	338,075	329,218
General and administrative expenses		(132,105)	(304,033)	(461,877)	(809,200)
OPERATING PROFIT		**553,496**	**391,851**	**882,997**	**805,498**
Impairment provisions		(43,350)	-	(159,730)	(453,303)
Adjustment on gain on dilution of interest in MHB		-	-	-	(36,434)
Net (loss)/gain on disposal of ships		(12,481)	5,664	(12,481)	104,784
Finance cost		(97,595)	(86,804)	(193,231)	(174,124)
Share of (loss)/profit of associates		(2)	(122)	13	2,040
Share of profit of jointly controlled entities		58,410	69,008	104,819	145,317
PROFIT BEFORE TAX		**458,478**	**379,597**	**622,387**	**393,778**
Taxation		23,067	(12,374)	(12,843)	2,880
PROFIT FROM CONTINUING OPERATIONS		**481,545**	**367,223**	**609,544**	**396,658**
Loss from Discontinued Operations	*Note A5*	(44,854)	(177,337)	(582,632)	(416,799)
PROFIT/(LOSS) FOR THE PERIOD		**436,691**	**189,886**	**26,912**	**(20,141)**
PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE CORPORATION:					
Continuing Operations		425,957	300,731	498,778	232,126
Discontinued Operations		(45,005)	(177,601)	(582,907)	(416,876)
Non-Controlling Interests		55,738	66,757	111,041	164,609
PROFIT/(LOSS) FOR THE PERIOD		**436,691**	**189,886**	**26,912**	**(20,141)**
BASIC & DILUTED EARNINGS /(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE CORPORATION:					
Continuing Operations		9.5	6.7	11.2	5.2
Discontinued Operations		(1.0)	(4.0)	(13.1)	(9.3)

MISC Berhad
(Company No. 8178 H)
The figures have not been audited.

Condensed Consolidated Statement of Comprehensive Income

For The Period Ended 30 June 2012

	3 Months Ended 30 June		Cumulative 6 Months Ended 30 June	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
PROFIT/(LOSS) AFTER TAX FOR THE PERIOD	436,691	189,886	26,912	(20,141)
OTHER COMPREHENSIVE INCOME				
Fair value gain on non-current investments	26,313	10,993	44,297	39,634
Fair value gain/(loss) on cash flow hedges:				
Group	10,702	(21,443)	43,324	16,322
Jointly controlled entities	(7,443)	-	(9,395)	-
Currency translation differences	662,061	24,216	44,671	(692,476)
Other capital reserves	-	(28)	1,012	73
Revaluation reserves	-	-	294	(24)
Statutory reserves	-	(28)	-	96
Other comprehensive income from continuing operations	***691,633***	***13,710***	***124,203***	***(636,375)***
Other comprehensive income from discontinued operations	***5,263***	***5,304***	***3,909***	***5,531***
Total other comprehensive income	**696,896**	**19,014**	**128,112**	**(630,844)**
TOTAL COMPREHENSIVE INCOME	**1,133,587**	**208,900**	**155,024**	**(650,985)**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation				
Continuing Operations	1,094,292	314,577	612,018	(395,380)
Discontinued Operations	(39,742)	(172,297)	(578,998)	(411,345)
Non-Controlling Interests	79,036	66,621	122,004	155,740
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,133,587**	**208,900**	**155,024**	**(650,985)**

MISC Berhad

(Company No. 8178 H)

The figures have not been audited.

Condensed Consolidated Statement of Financial Position

As at 30 June 2012

	30 June 2012 RM'000	31 December 2011 RM'000
NON CURRENT ASSETS		
Ships	18,072,818	18,572,664
Offshore floating assets	8,434,424	7,706,240
Property, Plant and Equipment	1,760,905	1,522,684
Prepaid Land & Building Lease Payments	250,652	78,369
Finance Lease Receivables	410,664	420,731
Investments in Associates	2,173	2,322
Investments in Jointly Controlled Entities	3,565,748	3,538,305
Other non-current financial assets	493,491	1,159,995
Intangible Assets	909,136	855,158
Deferred Tax Asset	4,806	5,241
	33,904,817	**33,861,709**
CURRENT ASSETS		
Inventories	438,153	434,995
Trade & Other Receivables	2,580,496	1,885,850
Cash and cash equivalents	3,980,435	4,155,139
Amounts due from Group Companies	203,878	141,544
Amounts due from Associates	925	1,178
Amounts due from Jointly Controlled Entities	220,035	216,958
Assets held for sale	532,059	519,688
	7,955,981	**7,355,352**
TOTAL ASSETS	**41,860,798**	**41,217,061**
EQUITY		
Share Capital	4,463,794	4,463,794
Share Premium	4,459,468	4,459,468
Reserves	(95,417)	(212,566)
Retained Profits	12,002,242	12,086,371
Equity attributable to owners of the parent	**20,830,087**	**20,797,067**
Non-Controlling Interests	1,378,683	1,288,723
TOTAL EQUITY	**22,208,770**	**22,085,790**
NON-CURRENT LIABILITIES		
Interest bearing loans and borrowings	11,386,399	8,332,604
Deferred Taxation	47,772	45,267
Provisions	691,039	647,331
Derivatives Liabilities	145,792	183,819
	12,271,002	**9,209,021**
CURRENT LIABILITIES		
Interest bearing loans and borrowings	3,000,400	5,859,556
Trade & Other Payables	4,223,641	3,934,580
Provision for Taxation	45,315	59,217
Amounts due to Group Companies	27,291	17,638
Amounts due to Associates	2,173	3,003
Amounts due to Jointly Controlled Entities	82,206	45,929
Derivative Liabilities	-	2,327
	7,381,026	**9,922,250**
TOTAL LIABILITIES	**19,652,028**	**19,131,271**
TOTAL EQUITY AND LIABILITIES	**41,860,798**	**41,217,061**

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the period ended 31 December 2011

MISC Berhad

(Company No. 8178 H)

The figures have not been audited.

Condensed Consolidated Statement of Cash Flow

For The Period Ended 30 June 2012

	30 June 2012 RM'000	30 June 2011 RM'000
Cash Flow from Operating Activities:		
Cash receipts from customers	4,327,722	5,922,216
Cash paid to suppliers and employees	(3,409,101)	(4,860,591)
Cash from Operations	**918,621**	**1,061,625**
Taxation paid	(23,797)	(23,894)
Net cash generated from operating activities - continuing operations	**894,824**	**1,037,731**
Net cash used in operating activities - discontinued operations	*(465,874)*	*(297,569)*
Net cash generated from operating activities	**428,950**	**740,162**
Cash Flow from Investing Activities:		
Purchase of ships, offshore floating assets and other property, plant and equipment	(1,784,325)	(1,516,409)
Proceeds from disposal of ships, other property, plant and equipment	139,341	521,927
Dividend received from:		
Quoted and unquoted investments	49,309	25,137
Associates and jointly controlled entities (JCE)	37,285	4,007
Repayment of loans from JCE	691,713	326,220
Loans to JCE	(1,728)	(9,216)
Proceeds from dilution of interest in a subsidiary	-	6,615
Additional investments in associates and JCE	(2,459)	(1,987)
Interest received	69,137	29,201
Net cash used in investing activities - continuing operations	**(801,728)**	**(614,505)**
Net cash generated from investing activities - discontinued operations	*418,750*	*-*
Net cash flows used in investing activities	**(382,978)**	**(614,505)**
Cash Flow from Financing Activities:		
Drawdown of term loans and revolving credit	19,553	395,586
Repayment of term loans and revolving credit	(239,280)	(182,194)
Drawdown of shareholder's revolving credit	308,745	-
Dividends paid to minority shareholders of subsidiaries	(32,045)	(61,669)
Interest paid	(263,392)	(149,133)
Net cash (used in)/generated from financing activities - continuing operations	**(206,419)**	**2,590**
Net Change in Cash & Cash Equivalents	(160,447)	128,247
Cash & Cash Equivalents at the beginning of the year	4,155,139	3,291,011
Currency translation difference	(14,257)	(20,442)
Cash & Cash Equivalent at the end of the period	**3,980,435**	**3,398,816**

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the period ended 31 December 2011

MISC Berhad
(Company No. 8178 H)

Condensed Consolidated Statement of Changes in Equity

For The Period Ended 30 June 2012

		← Attributable to owners of the parent →													
	Total Equity	Equity attributable to owners of the Parent	Share Capital* Ordinary Shares	Share Premium	Other reserves total	Retained profits	Other capital reserve	Capital reserve	Revaluation reserve	Statutory reserve	Capital redemption reserve	Fair value reserve	Hedging reserve	Currency translation reserve	Non Controlling Interests
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
6 MONTHS ENDED 30 JUNE 2012															
At 1 Jan 2012	**22,297,386**	**21,008,663**	**4,463,794**	**4,459,468**	**(203,341)**	**12,288,742**	**41,415**	**435,284**	**1,357**	**1,966**	**59,715**	**203,307**	**(209,779)**	**(736,606)**	**1,288,723**
Impact of adoption of MFRS 1	(211,596)	(211,596)	-	-	(9,225)	(202,371)	-	-	-	-	-	-	-	(9,225)	-
At 1 January 2012 (restated)	**22,085,790**	**20,797,067**	**4,463,794**	**4,459,468**	**(212,566)**	**12,086,371**	**41,415**	**435,284**	**1,357**	**1,966**	**59,715**	**203,307**	**(209,779)**	**(745,831)**	**1,288,723**
Total comprehensive income	155,024	33,020	-	-	126,374	(84,129)	1,012	-	294	-	-	44,297	28,127	43,419	122,004
Transactions with owners															
Dividends	(32,044)	-	-	-	-	-	-	-	-	-	-	-	-	-	(32,044)
Total transactions with owners	(32,044)	-	-	-	-	-	-	-	-	-	-	-	-	-	(32,044)
At 30 June 2012	**22,208,770**	**20,830,087**	**4,463,794**	**4,459,468**	**(95,417)**	**12,002,242**	**42,427**	**435,284**	**1,651**	**1,966**	**59,715**	**247,604**	**(181,652)**	**(702,412)**	**1,378,683**
6 MONTHS ENDED 30 JUNE 2011															
At 1 Jan 2011	**23,921,611**	**22,840,103**	**4,463,794**	**4,459,468**	**(1,018,564)**	**14,935,405**	**41,342**	**1,185**	**1,381**	**1,242**	**59,715**	**196,542**	**(204,503)**	**(1,115,468)**	**1,081,508**
Total comprehensive income	(653,037)	(808,777)	-	-	(621,975)	(186,802)	73	-	(24)	96	-	39,634	11,434	(673,216)	155,740
Transactions with owners															
Transfer to reserves	-	-	-	-	434,699	(434,699)	-	434,099	-	628	-	-	-	-	-
Adoption of MFRS 1	(203,724)	(203,724)	-	-	-	(203,724)	-	-	-	-	-	-	-	-	-
Reclassification of forex	-	-	-	-	-	-	-	-	-	-	-	(11,638)	-	11,638	-
Disposal of a subsidiary	29,998	-	-	-	-	-	-	-	-	-	-	-	-	-	29,998
Dividends	(45,882)	15,788	-	-	-	15,788	-	-	-	-	-	-	-	-	(61,670)
Total transactions with owners	(219,608)	(187,936)	-	-	434,699	(622,635)	-	434,099	-	628	-	(11,638)	-	11,638	(31,672)
At 30 June 2011	**23,048,966**	**21,843,390**	**4,463,794**	**4,459,468**	**(1,205,840)**	**14,125,968**	**41,415**	**435,284**	**1,357**	**1,966**	**59,715**	**224,538**	**(193,069)**	**(1,777,046)**	**1,205,576**

* Included in share capital is one preference share of RM1.

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the period ended 31 December 2011

MISC Berhad
(Company No. 8178 H)

Notes to The Condensed Financial Report
The figures have not been audited

A1. CORPORATE INFORMATION

MISC Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 15 August 2012.

A2. FIRST-TIME ADOPTION OF MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS")

A2.1 Basis of preparation

These condensed consolidated interim financial statements for the period ended 30 June 2012, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. Except for the effects of the matter disclosed in Note A2.2 Comparative information, these condensed consolidated interim financial statements are prepared in compliance with MFRS 134 Interim Financial Reporting issued by Malaysian Accounting Standards Board and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

For the periods up to and including the period ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”).

The audited consolidated financial statements of the Group for the period ended 31 December 2011, which were prepared under FRS, are available upon request from the Company registered office at level 25, Menara Dayabumi, Jalan Sultan Hishamuddin, 50050 Kuala Lumpur.

These condensed consolidated interim financial statements form part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

In preparing its opening MFRS Statement of Financial Position as at 1 April 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in financial statements prepared in accordance with FRS. Explanations of how the transition from FRS to MFRS have affected the Group’s financial position, financial performance and cash flows are described in Note A3 of the Condensed Consolidated Interim Financial Statements for the period ended 31 March 2012.

The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the period ended 31 December 2011.

The reconciliations of equity and income statement for comparative periods and of equity at the date of transition, reported under FRS, to those reported for those periods and at the date of transition under MFRS are provided as per Appendix A. The transition from FRS to MFRS has no material impact on the statement of cash flows.

A2.2 Comparative information

During the financial period ended 31 December 2011, the Group changed its year end from 31 March to 31 December to be coterminous with the year end of its holding company. The date of transition to MFRS is 1 April 2011. Comparative amounts (i.e. for the cumulative six months ended 30 June 2011) presented for the statement of comprehensive income, statement of changes in equity, statement of cash flows and the related notes:

A2. FIRST-TIME ADOPTION OF MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") (CONT'D)

A2.2 Comparative information (cont'd)

(i) are not comparable interim period (quarter and year-to-date) of the immediate preceding financial period as required by MFRS 134; and

(ii) the amounts presented for the six months period ended 30 June 2011 were prepared under a combination of FRS and MFRS. MFRS has been adopted for the period of 1 April 2011 to 30 June 2011, whilst for the three months ended 31 March 2011, FRS was applied.

Accordingly, these comparative amounts are not comparable to the amounts presented in MFRS for the six months period ended 30 June 2012.

The comparative amounts for the six months period ended 30 June 2011 were used to provide relevant unambiguous comparative information to enable fair assessment of the group's performance given the nature and seasonality of the Group's business.

The above departure from the requirements of MFRS 134 is primarily due to the Group's change of financial year end. However, the impact on the comparatives is temporary and will be resolved by the quarter ending March 2013.

A3. SIGNIFICANT ACCOUNTING POLICIES AND APPLICATION OF MFRS 1

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011 except as discussed below:

(a) Business Combination

MFRS 1 provides the option to apply MFRS 3 Business Combinations prospectively from the date of transition, or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition:

(i) The classification of former business combination under FRS is maintained;
(ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
(iii) The carrying amount of goodwill recognised under FRS is not adjusted.

(b) Ships, other property, plant and equipment ("SPPE")

The Group has adopted cost model to measure its SPPE under FRS. Upon transition to MFRS, the group has elected to still maintain the measurement of its SPPE using the cost model under MFRS 116 : Property, Plant and Equipment. At the date of transition to MFRS, the Group elected to:

(i) Regard fair value of certain ships at date of transition as their deemed costs at that date. A downward adjustment was made to SPPE's carrying values. The corresponding adjustment was recognised against retained earnings.

(ii) Regard fair value of certain buildings at date of transition as their deemed costs at that date. As at transition date, a downward adjustment was recognised in SPPE's carrying values. The corresponding adjustment was recognised against retained earnings and reserves.

A3. SIGNIFICANT ACCOUNTING POLICIES AND APPLICATION OF MFRS 1 (CONT'D)

(c) Estimates

The estimates at 1 April 2011 and at 31 December 2011 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect conditions at the date of transition to MFRS i.e. 1 April 2011 and as at 31 December 2011.

A4. CHANGES IN ESTIMATES

There were no material changes in estimates reported in the prior period or prior financial period.

A5. DISCONTINUED OPERATIONS

After having undertaken detailed deliberation and review of all relevant factors, MISC had, on 24 November 2011 announced its intention to completely cease its Liner business related operations. Taking into account operational and legal requirements, the Group anticipated to fully cease its Liner business related operations by 30 June 2012.

The Group effectively ceased its Liner related business operations, upon delivery of cargo under its final Perdana service voyage, in June 2012. With the exception of the returning of leased containers, expected to complete in FY2013, all other outstanding business cessation processes are expected to be completed by the third quarter ending 30 September 2012.

The results of Liner related business operations from 1 January 2012 to 30 June 2012 have been treated as results of discontinued operations in the current financial year. Corresponding reclassifications have been made to prior year's results for fair comparison of operational performance.

Statement of comprehensive income disclosure:

	3 Months Ended		6 Months Ended	
	30-June-12 RM'000	30-June-11 RM'000	30-June-12 RM'000	30-June-11 RM'000
Revenue	67,433	418,637	166,962	830,921
Cost of sales	(146,776)	(569,634)	(548,616)	(1,168,408)
GROSS LOSS	**(79,343)**	**(150,997)**	**(381,654)**	**(337,487)**
Other operating income	39,212	1,376	41,806	4,065
General and administrative expenses	(18,258)	(27,289)	(35,845)	(76,981)
OPERATING LOSS	**(58,389)**	**(176,910)**	**(375,693)**	**(410,403)**
Net of impairment, additional provisions and gain on ships disposal	12,903	-	(207,554)	(3,345)
LOSS BEFORE TAX	**(45,486)**	**(176,910)**	**(583,247)**	**(413,748)**
Taxation	632	(427)	615	(3,051)
LOSS FOR THE PERIOD	**(44,854)**	**(177,337)**	**(582,632)**	**(416,799)**

Statement of cash flows disclosure:

The cash flows attributable to discontinued operations are as follows:

	30-June-12	30-June-11
Operating	(465,874)	(297,569)
Investing	418,750	-
Financing	-	-
Net cash outflows	**(47,124)**	**(297,569)**

A6. CHANGES IN COMPOSITION OF THE GROUP

Other than discontinued operations of Liner related business as disclosed in Note A5, no major changes were made in the composition of the Group during the quarter ended 30 June 2012.

A7. SEGMENT REPORT

Following cessation of Liner related business operations on 30 June 2012, the Group has reclassified Logistic business as part of others, as the contribution of the business to MISC Group is not material.

Segmental analysis for the current financial period to date is as follows:

CONTINUING OPERATIONS

	Energy Related Shipping 1)	Other Energy Businesses 2)	Others, eliminations and adjustments		Total
	RM '000	RM'000	RM '000		RM '000
Revenue					
External sales	2,955,439	1,627,868	207,708		4,791,015
Inter-Segment	3,318	503,082	(506,400)		-
	2,958,757	**2,130,950**	**(298,692)**	*	**4,791,015**
Operating profit	484,917	328,571	69,509	**	**882,997**

DISCONTINUED OPERATIONS

	Liner Related Business
	RM'000
Revenue	
External sales	166,962
Operating loss	(375,693)

1) LNG, petroleum and chemical
2) Offshore, heavy engineering and tank terminal (including VTTI)
* Comprise of Integrated Logistics results and Inter-segment eliminations
** Comprise of Integrated Logistics results, net foreign exchange differences, interest income, dividend income from quoted investments, eliminations and adjustments.

A8. SEASONALITY OF OPERATIONS

The businesses of the Group are subject to market fluctuations.

A9. PROFIT FOR THE PERIOD

Included in the profit for the period are the following items:

	3 Months Ended		6 Months Ended	
	30-June-12	**30-June-11**	**30-June-12**	**30-June-11**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Interest income	49,756	14,437	69,137	68,108
Other income	213,439	37,351	237,252	149,839
Finance cost	(97,595)	(86,804)	(193,231)	(174,124)
Depreciation of property, plant and equipment	(282,044)	(297,780)	(565,862)	(598,457)
Amortisation of prepaid lease payments	(1,806)	(803)	(2,510)	(1,939)
Amortisation of intangibles	(7,023)	(7,023)	(14,046)	(13,968)
Impairment loss on trade and non trade receivables:				
Jointly controlled entities	-	3,233	-	(18,286)
Third parties	(6,371)	(3,484)	(7,202)	(11,713)
Bad debts written off	(1,411)	(3,119)	(3,224)	(15,360)
Inventories written off	-	-	-	(5,097)
Loss on dilution on interest in a subsidiary	-	181	-	(36,434)
Impairment of ships, property, plant and equipment	(43,350)	-	(159,730)	(453,303)
Impairment on liner vessels*	-	-	(26,152)	(3,345)
Net realised foreign exchange gain/(loss)	5,924	(28,365)	32,081	2,999
Net unrealised foreign exchange gain/(loss)	83,055	9,386	(28,494)	(115,200)

** included in the results of discontinued operations*

A10. SHIPS,PROPERTY, PLANT AND EQUIPMENT (SPPE)

Included in total assets are constructions work-in-progress of RM9,489,891,000, mainly for the construction of ships and offshore floating assets.

For the quarter ended 30 June 2012, the Group disposed assets with carrying amount of RM167,055,000 (30 June 2011 : RM400,288,000). As a result, the Group recognised a net gain on disposal of RM13,292,000 (30 June 2011 : Net gain of RM5,674,000) from the asset sales. For the cumulative six months ended 30 June 2012, the Group recognised RM11,677,000 gain from asset disposals in its financial statements (30 June 2011 : RM101,726,000).

The Group recognised RM43,350,000 of impairment on vessels in the quarter.

A11. INTANGIBLE ASSETS

	Goodwill	Other Intangible Assets	Total
	RM'000	RM'000	RM'000
Cost			
At 31 December 2011	**723,065**	**504,463**	**1,227,528**
Addition	62,783	**-**	**62,783**
Currency translation differences	5,241	-	**5,241**
At 30 June 2012	**791,089**	**504,463**	**1,295,552**
Accumulated amortisation and impairment			
At 31 December 2011	**2,325**	**370,045**	**372,370**
Amortisation	-	14,046	14,046
Currency translation differences	-	-	-
At 30 June 2012	**2,325**	**384,091**	**386,416**
Net carrying amount			
At 31 December 2011	**720,740**	**134,418**	**855,158**
At 30 June 2012	**788,764**	**120,372**	**909,136**

Goodwill is tested for impairment on annual basis (31 December) or when circumstances indicate that the carrying value may be impaired. The Group's impairment test is a comparison of the goodwill's carrying value against its value-in-use (calculated using cash flow projections). The key assumptions used to determine the recoverable amount of the cash generating units were discussed in the annual consolidated financial statements for the period ended 31 December 2011.

Impairment test on the goodwill of the Group's investment in a quoted subsidiary is performed by comparing carrying value of investment against the recoverable amount derived from its share price quoted on the Main Market of Bursa Malaysia.

Goodwill was not tested for impairment in the quarter as there were no indications of impairment as at 30 June 2012.

The other intangible assets relate to fair value of long term charter hire contracts, as determined by an independent professional valuer, amortised over the time charter period of the contracts.

A12. INVENTORIES

There were no write-down of inventories or reversal of inventories written-down recognised by the Group during the three months period ended 30 June 2012.

A13. CASH AND CASH EQUIVALENTS

Breakdown of cash and cash equivalents are as follows:

	30-June-12	31-Dec-11
	RM'000	RM'000
Deposits with licensed banks	3,577,033	3,870,637
Cash and bank balances	403,402	284,502
Total cash and cash equivalents	**3,980,435**	**4,155,139**

A14. FAIR VALUE HIERARCHY

The Group uses the following hierarchy to determine the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities
Level 2 - Inputs that are based on observable market data, either directly or indirectly
Level 3 - Inputs that are not based on observable market data

As at the reporting date, the Group held the following financial assets and liabilities that are measured at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
30-Jun-12				
Financial Assets				
Available-for-sale financial assets				
Quoted investments	395,457	-	-	**395,457**
Financial Liabilities				
Derivatives				
Interest rate swaps designated as hedging instruments	-	(145,792)	-	(145,792)
	-	**(145,792)**	**-**	**(145,792)**
31-Dec-11				
Financial Assets				
Available-for-sale financial assets				
Quoted investments	351,158	-	-	**351,158**
Financial Liabilities				
Derivatives				
Interest rate swaps designated as hedging instruments	-	(183,819)	-	**(183,819)**
Forward exchange contracts	-	(2,327)	-	**(2,327)**
	-	**(186,146)**	**-**	**(186,146)**

No transfers between any levels of the fair value hierarchy took place during the current period and the comparative periods. There were also no changes in the purpose of any financial instruments that subsequently caused a change in classification of those instruments.

A15. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities, share buy-backs, share cancellation or shares held as treasury shares and resale of treasury shares during the current quarter ended 30 June 2012.

A16. INTEREST BEARING LOANS AND BORROWINGS

i) The tenure of Group borrowings classified as short and long term as well as secured and unsecured categories are as follows :-

	30-June-12 RM'000	31-Dec-11 RM'000
Short Term Borrowings		
Secured	463,597	453,107
Unsecured	2,536,803	5,406,449
	3,000,400	5,859,556
Long Term Borrowings		
Secured	1,732,887	1,920,271
Unsecured	9,653,512	6,412,333
	11,386,399	8,332,604
Total	**14,386,799**	**14,192,160**

ii) Foreign borrowings in United States Dollar equivalent as at 30 June 2012 are as follows :-

	RM'000
United States Dollar Borrowings	12,070,193

A17. DIVIDENDS

No interim dividend has been declared for the financial period ended 30 June 2012. (30 June 2011 : Nil)

A18. CAPITAL COMMITMENTS

	30-June-12 RM'000	31-Dec-11 RM'000
Approved and contracted for:		
Group	2,863,262	2,863,242
Share of capital commitments		
in jointly controlled entities	868,617	392,341
	3,731,879	3,255,583
Approved but not contracted for:		
Group	6,642,070	5,174,797
Share of capital commitments in		
jointly controlled entities	43,546	954,578
	6,685,616	6,129,375
Total	**10,417,495**	**9,384,958**

A19. CONTINGENT LIABILITIES

Contingent liabilities of the Group comprise the following :-

	RM '000
Secured	
Bank guarantees extended to a third party	53,400
Unsecured	
Bank guarantees extended to third parties	165,845

A20. SUBSEQUENT MATERIAL EVENT

There were no material events subsequent to the quarter end date.

B1. REVIEW OF GROUP PERFORMANCE AND CURRENT YEAR PROSPECTS

CONTINUING OPERATIONS

GROUP

	3 months ended		Cumulative 6 months ended	
	30-June-12	30-June-11	30-June-12	30-June-11
	RM Mil	RM Mil	RM Mil	RM Mil
Revenue	2,486.6	2,590.7	4,791.0	5,102.8
Operating Profit	553.5	391.9	883.0	805.5
PBT	458.5	379.6	622.4	393.8

QUARTER ON QUARTER

Group revenue of RM2,486.6 million for the quarter ended 30 June 2012 was 4.0% or RM104.1 million lower than the RM2,590.7 million revenue for the quarter ended 30 June 2011 ("comparative quarter"). The decline in Group revenue was largely due to lower revenue in Petroleum and Chemical businesses following lower earning days and softer petroleum freight rates.

Despite improvement in both Aframax and VLCC market freight rates averaging between 21.6% to 65.6% quarter on quarter, MISC's petroleum business experienced an 11.5% revenue decrease primarily due to softer blended rates achieved and reduced operating and earning days. Lower earning days from lesser number of operating vessels in Chemical business further contributed to the decline in revenue for the quarter.

However, commencement of a new offshore project, MOPU 2, in August 2011 and development of new heavy engineering projects, combined with higher progress of existing heavy engineering projects, have helped to mitigate the impact of lower revenue in Petroleum and Chemical businesses.

Against this backdrop, Group operating profit of RM553.5 million for the quarter represents a RM161.6 million or 41.2% increase compared to the comparative quarter.

Group profit before tax increased to RM458.5 million from RM379.6 million in the comparative quarter driven mainly by improved performance in the Offshore business , higher contributions from Tank Terminal segment and lower lower losses in Petroleum business following one-off settlement received from early redelivery of vessels on time charter contracts.

YEAR ON YEAR

For the first half 2012, Group revenue of RM4,791.0 million was 6.1% or RM311.8 million lower than RM5,102.8 million revenue of the cumulative 6 months ended 30 June 2011 ("comparative period"). Lower revenue in Heavy Engineering business and softer petroleum freight rates were the main contributors to the decline in Group revenue.

Heavy Engineering business suffered a 14.0% decrease in revenue following novation of EPCIC Turkmenistan Block 1 Phase 1 Project (on staggered basis) to a jointly controlled entity commencing 1 January 2011 and completion of the Kinabalu Topside project in May 2012. Softer freight rates in Petroleum business also contributed to the decline in Group revenue.

Despite lower revenue, Group operating profit grew by 9.6% or RM77.5 million to RM883.0 million from RM805.5 million in the comparative period resulting mainly from lower losses in Petroleum business, combined with improved performance of Offshore business.

Group profit before tax of RM622.4 million was 58.1% higher compared to RM393.8 million in the comparative period following higher profits in Offshore and Tank Terminal businesses and lower losses in the Petroleum business. Higher contribution from Tank Terminal business was largely due to increase in activities following commencement of a few tank terminal projects.

B1. REVIEW OF GROUP PERFORMANCE AND CURRENT YEAR PROSPECTS (Cont'd.)

The shipping industry has not shown signs of recovery. Vessel overcapacity continue to put petroleum and chemical freight rates under pressure over the short to medium term. However, long-term contracts in LNG and Offshore businesses will continue to cushion the Group from fluctuations in the petroleum and chemical trades.

ENERGY RELATED SHIPPING ("ERS")

	Quarter RM'Million		Year to date RM'Million	
	30-June-12	**30-June-11**	**30-June-12**	**30-June-11**
Revenue:				
Third Party	1,442.9	1,588.0	2,955.4	3,097.1
Operating profit	240.8	267.6	484.9	605.2

QUARTER ON QUARTER

ERS segment's revenue of RM1,442.9 million in the current quarter was 9.1% or RM145.1 million lower than RM1,588.0 million revenue in the comparative quarter, largely due to revenue decrease in all business sub-segments i.e. Petroleum, Chemical and LNG businesses.

Petroleum shipping industry witnessed improvements in both Aframax and VLCC spot freight rates, largely benefiting from increases in long haul trade and trade from West Africa. Average spot rates for the Aframax sector strengthened to USD15,273/day from USD12,563/day, while rates for VLCC were higher at USD36,808/day from USD22,225/day. Lower number of earning days and slightly lower blended freight rates, however, contributed to an 11.1% decrease in Petroleum business revenue.

For Chemical business, the average market freight rates in both chemical and veg oil sub-segments remain favourable to mitigate the impact of lower revenue from lower earning days following redelivery of in-chartered vessels.

LNG business recorded lower revenue primarily due to higher off hire days due to vessels drydockings.

The segment's operating profit of RM180.0 million was 32.7% or RM87.6 million lower than RM267.6 million in comparative quarter following the decline in revenue.

YEAR ON YEAR

Year on year, the segment's revenue of RM2,955.4 million was 4.6% or RM141.7 million lower than RM3,097.1 million in the comparative period, mainly due to lower revenue in all the three business sub-segments. Lesser number of operating vessels, combined with lower number of earning days contributed to the decrease in the segment's revenue.

The segment reported RM484.9 million cumulative operating profit as compared to RM605.2 million in the comparative period. Higher operating costs, particularly bunker, also contributed to the decline in the segment's financial performance.

With the recent manufacturing sector slowdown in China, combined with petrochemical plant shutdowns in Asia, market sentiments are weak for the chemical trade. Meanwhile, the petroleum tanker market is expected to weaken with declining activity in major loading regions anticipated during the summer season.

In the LNG sector, with long-term contracts in hand, the sector's outlook remains favorable and continue to provide stability to the segment.

B1. REVIEW OF GROUP PERFORMANCE AND CURRENT YEAR PROSPECTS (Cont'd.)

Performance and prospects of each operating segment are discussed below: (Cont'd.)

OTHER ENERGY BUSINESS ("OEB")

	Quarter RM'Million		Year to date RM'Million	
	30-June-12	**30-June-11**	**30-June-12**	**30-June-11**
Revenue:				
Third Party	938.3	889.5	1,627.9	1,728.8
Operating profit	156.8	148.3	328.6	328.5

QUARTER ON QUARTER

The segment's revenue of RM938.3 million was 5.5% or RM48.8 million higher than RM889.5 million revenue in the comparative quarter, predominantly driven by higher revenue of both Offshore and Heavy Engineering businesses.

The growth in both business sub-segments' revenue was mainly due to commencement of MOPU 2, development of new Heavy Engineering projects and higher progress of Heavy Engineering's existing projects.

On the back of higher revenue, operating profit was higher by 5.7% or RM8.5 million.

YEAR ON YEAR

For the six months ended 30 June 2012, OEB's revenue of RM1,627.9 million was 5.8% or RM100.9 million lower from RM1,728.8 million in the comparative period.

Completion of Heavy Engineering's Kinabalu Topside project coupled with staggered novation of Turkmenistan Block 1 project led to the decrease in the segment's revenue.

Consequently, Operating profit of RM328.6 million was RM0.1 million lower than RM328.5 million in the comparative period.

The outlook for the OEB segment remains positive in line with the increase in oil and gas activities across the globe.

B1. REVIEW OF GROUP PERFORMANCE AND CURRENT YEAR PROSPECTS (Cont'd.)

Performance and prospects of each operating segment are discussed below: (Cont'd.)

DISCONTINUED OPERATIONS

LINER RELATED BUSINESS

	Quarter RM Million		Year to date RM'Million	
	30-June-12	**30-June-11**	**30-June-12**	**30-June-11**
Revenue:				
Third Party	67.4	418.6	167.0	830.9
Operating Loss	(58.4)	(176.9)	(375.7)	(410.4)

Liner and its related business operations recorded a significant decrease in revenue, quarter on quarter and year on year by 83.9% and 79.9% respectively following the Group's announcement on 24 November 2011 of its intention to completely exit from the business by 30 June 2012. The Group has gradually ceased its business activities during the period.

Accordingly the segment losses were 67.0% and 8.5% lower, quarter on quarter and year on year respectively.

The Group effectively ceased its Liner related business operations in June 2012.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

GROUP

	Current Quarter RM Million 30-June-12	Preceding Quarter RM Million 31-March-12
Revenue:		
Third Party	**2,486.6**	**2,304.4**
Operating Profit	**553.5**	**329.5**
PBT	**458.5**	**163.9**

Group revenue of RM2,486.6 million was 7.9% higher than RM2,304.4 million recorded in the preceding quarter. The increase in revenue was mainly contributed by higher Heavy Engineering revenue from higher number of projects developed during the quarter.

Group operating profit of RM553.5 million was 68.0% higher than RM329.5 million in the preceding quarter, mainly attributed to improved performance of Petroleum business, due to one-off settlement received from early redelivery of vessels on time charter contract, and higher contributions from the Offshore and Logistics businesses.

The current quarter's profit before tax of RM163.9 million was 179.7% or RM294.6 million higher than preceding quarter, largely due to improved petroleum business performance , combined with lesser impairment provisions recognised in the current quarter. The Group recognised RM43.4 million impairment provisions on petroleum vessels in the current quarter as compared to RM116.4 million in impairment recognised on chemical vessels in the preceding quarter.

B3. VARIANCE OF ACTUAL RESULTS COMPARED WITH FORECASTED AND SHORTFALL IN PROFIT GUARANTEE

The Company did not provide any profit forecast or profit guarantee in any public document.

B4. TAXATION

	Apr 12 - June 12 RM '000	Jan 12- June 12 RM '000
Taxation for the period comprises the following charge		
Income tax charge		
- current period	11,893	8,829
- prior year	-	3
Deferred taxation	(34,960)	4,011
	(23,067)	12,843

The income of the Group that is derived from the operations of sea-going Malaysian registered ships is tax exempt under Section 54A of the Income Tax Act, 1967. The taxation charge for the Group is attributable to tax in respect of other activities of the Group.

B5. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

a) The status of utilisation of proceeds raised from corporate proposals as at 7 August 2012 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

Renounceable Rights Issue

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation	
	RM Million	RM Million		RM Million	%
Capital expenditure	5,187.3	4,798.4	Within 36 months from the completion of the Rights Issue Exercise	-	-
Estimated expenses in relation to the Rights Issue Exercise	20.5	20.5	Within 3 months from the completion of the Rights Issue Exercise	-	-
Total	**5,207.8**	**4,818.9**		-	-

B5. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED (CONT'D)

b) The status of the utilisation of proceeds raised from MHB listing as at 7 August 2012 is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation	
	RM Million	RM Million		USD Million	%
Capital expenditure	914.4	478.0	Within 36 months from the date of the Listings	-	-
Working Capital	122.5	122.5	Within 12 months from the date of the Listings	-	-
Estimated expenses in relation to the Proposed Offer for Sale and listing	14.0	11.0	Within 3 months from the date of the Listings	-	-
Total	**1,050.9**	**611.5**		-	-

B6. CHANGES IN MATERIAL LITIGATION

There were no material litigations involving the Group for the quarter ended 30 June 2012.

B7. DIVIDENDS

No dividend has been proposed by the Board of Directors for this financial period ended 30 June 2012 (30 June 2011 : Nil)

B8. DERIVATIVES

As part of the Group's efforts to hedge its interest rate risks, the Group has entered into interest rate swap arrangements, a form of derivative to convert its interest exposure from floating term into fixed term.

As at 30 June 2012, the fair value loss of the interest rate swaps with maturity between two (2) to five (5) years for a notional value of RM4,207,661,000 was RM145,487,000.

During the period, the Group recognised a net gain of RM43,324,000 in its equity in connection to its hedging activities. The Group also shared a net loss of RM9,395,000 of its jointly controlled entities fair value loss in relation to the same arrangements.

The Group also has entered into forward currency contracts to manage the exposure to foreign exchange risk. As at 30 June 2012, the fair value loss of its foreign exchange contract was RM305,000.

B8. DERIVATIVES (CONT'D)

Details of the Group's derivative financial instruments outstanding as at 30 June 2012 are as follows:

Contract/Tenure	Notional Value RM'000	Fair Value RM'000
Foreign exchange contracts		
less than 1 year	**17,057**	(305)
Interest rate swaps		
1 year to 3 years	4,107,575	(142,424)
More than 3 years	100,086	(3,063)
	4,207,661	**(145,487)**
Total	**4,224,718**	**(145,792)**

B9. EARNINGS/(LOSS) PER SHARE

	Quarter ended 30-Jun 2012	Quarter ended 30-Jun 2011	Financial period ended 30-Jun 2012	Financial period ended 30-Jun 2011
Basic earnings/(loss) per share are computed as follows:				
Profit/(loss) for the period attributable to owners of the Corporation (RM'000):				
-from continuing operations	425,957	300,731	498,778	232,126
-from discontinued operations	(45,005)	(177,601)	(582,907)	(416,876)
	380,952	**123,130**	**(84,129)**	**(184,750)**
Weighted average number of ordinary shares in issue (thousand)	**4,463,794**	**4,463,794**	**4,463,794**	**4,463,794**
Basic earnings/(loss) per share (sen)				
-from continuing operations	9.5	6.7	11.2	5.2
-from discontinued operations	(1.0)	(4.0)	(13.1)	(9.3)
	8.5	**2.7**	**(1.9)**	**(4.1)**

The Group does not have any financial instrument which may dilute its basic earnings per share.

B10. REALISED AND UNREALISED PROFIT

The breakdown of the Group's retained profits as at 30 June 2012 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	30-June-12 RM'000	**31-December-11 RM'000**
Total retained profits of MISC Group and its subsidiaries:		
- Realised	14,804,599	14,973,273
- Unrealised	(233,212)	(139,887)
	14,571,387	**14,833,386**
Total share of retained loss from associates:		
- Realised	(2,274)	(2,277)
- Unrealised	(33)	(42)
	(2,307)	**(2,319)**
Total share of retained profits from jointly controlled entities :		
- Realised	338,825	292,170
- Unrealised	49,904	63,545
	388,729	**355,715**
Total Group retained profits	**14,957,809**	**15,186,782**
Less:		
Consolidation adjustments	(2,955,567)	(2,898,040)
Total Group retained profits as per consolidated accounts	**12,002,242**	**12,288,742**

By Order of the Board

A3. SIGNIFICANT ACCOUNTING POLICIES AND APPLICATION OF MFRS 1

(i) Reconciliations of income statement for the period ended 30 June 2011

CONTINUING OPERATIONS

	Second Quarter Ended 30 June 2011				Half Year Ended 30 June 2011			
		Note 3 (a)	Note 3 (b)			Note 3 (a)	Note 3 (b)	
	FRS as at 30-June-2011	Adjustments Business Combination	Adjustments SPPE	MFRS as at 30-June-2011	FRS as at 30-June-2011	Adjustments Business Combination	Adjustments SPPE	MFRS as at 30-June-2011
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	2,590,683	-	-	2,590,683	5,102,754	-	-	5,102,754
Cost of sales	(1,994,426)	-	2,050	(1,992,376)	(3,819,324)	-	2,050	(3,817,274)
Gross profit	**596,257**	**-**	**2,050**	**598,307**	**1,283,430**	**-**	**2,050**	**1,285,480**
Other operating income	97,577	-	-	97,577	329,218	-	-	329,218
General and administrative expenses	(304,035)	-	2	(304,033)	(809,202)	-	2	(809,200)
Operating Profit	**389,799**	**-**	**2,052**	**391,851**	**803,446**	**-**	**2,052**	**805,498**
Impairment provisions	-	-	-	-	(453,303)	-	-	(453,303)
Gain on dilution of interest in MHB	-	-	-	-	(36,434)	-	-	(36,434)
Net gain on disposal of ships	5,664	-	-	5,664	104,784	-	-	104,784
Finance costs	(86,804)	-	-	(86,804)	(174,124)	-	-	(174,124)
Share of profit of associates	(122)	-	-	(122)	2,040	-	-	2,040
Share of profit of jointly controlled entities	69,008	-	-	69,008	145,317	-	-	145,317
Loss before taxation	**377,545**	**-**	**2,052**	**379,597**	**391,726**	**-**	**2,052**	**393,778**
Taxation	(12,374)	-	-	(12,374)	2,880	-	-	2,880
Loss after taxation	**365,171**	**-**	**2,052**	**367,223**	**394,606**	**-**	**2,052**	**396,658**

A3. SIGNIFICANT ACCOUNTING POLICIES AND APPLICATION OF MFRS 1

(ii) Reconciliations of equity

	FRS as at 30-June-2011	Note 3 (a) Adjustments Business Combination	Note 3 (b) Adjustments SPPE	MFRS as at 30-June-2011	FRS as at 31-Dec-2011	Note 3 (a) Adjustments Business Combination	Note 3 (b) Adjustments SPPE	MFRS as at 31-Dec-2011
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS								
NON-CURRENT ASSETS								
Ships	17,250,472	-	(191,430)	17,059,042	18,771,476	-	(198,812)	18,572,664
Offshore floating assets	7,583,703	-	-	7,583,703	7,706,240	-	-	7,706,240
Property, Plant and Equipment	2,408,884	-	(12,691)	2,396,193	1,535,468	-	(12,784)	1,522,684
Prepaid Land & Building Lease Payments	81,680	-	-	81,680	78,369	-	-	78,369
Finance Lease Receivables	192,901	-	-	192,901	420,731	-	-	420,731
Investments in Associates	483	-	-	483	2,322	-	-	2,322
Investments in Jointly Controlled Entities	3,187,971	-	-	3,187,971	3,538,305	-	-	3,538,305
Other non-current financial assets	493,250	-	-	493,250	1,159,995	-	-	1,159,995
Intangible Assets	841,151	-	-	841,151	855,158	-	-	855,158
Deferred Tax Asset	11,844	-	-	11,844	5,241	-	-	5,241
	32,052,339	**-**	**(204,121)**	**31,848,218**	**34,073,305**	**-**	**(211,596)**	**33,861,709**
CURRENT ASSETS								
Inventories	408,334	-	-	408,334	434,995	-	-	434,995
Trade & Other Receivables	1,390,261	-	-	1,390,261	1,885,850	-	-	1,885,850
Cash and cash equivalents	3,398,816	-	-	3,398,816	4,155,139	-	-	4,155,139
Amounts due from Group Companies	159,275	-	-	159,275	141,544	-	-	141,544
Amounts due from Associates	1,954	-	-	1,954	1,178	-	-	1,178
Amounts due from Jointly Controlled Entities	1,444,599	-	-	1,444,599	216,958	-	-	216,958
Assets held for sale	80,316	-	-	80,316	519,688	-	-	519,688
	6,883,555	**-**	**-**	**6,883,555**	**7,355,352**	**-**	**-**	**7,355,352**
TOTAL ASSETS	**38,935,894**	**-**	**(204,121)**	**38,731,773**	**41,428,657**	**-**	**(211,596)**	**41,217,061**

A3. SIGNIFICANT ACCOUNTING POLICIES AND APPLICATION OF MFRS 1

(ii) Reconciliations of equity (Cont'd.)

	FRS as at 30-June-2011	Note 3 (a) Adjustments Business Combination	Note 3 (b) Adjustments SPPE	MFRS as at 30-June-2011	FRS as at 31-Dec-2011	Note 3 (a) Adjustments Business Combination	Note 3 (b) Adjustments SPPE	MFRS as at 31-Dec-2011
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Share Capital	4,463,794	-	-	4,463,794	4,463,794	-	-	4,463,794
Share Premium	4,459,468	-	-	4,459,468	4,459,468	-	-	4,459,468
Reserves	(1,205,443)	-	(397)	(1,205,840)	(203,341)	-	(9,225)	(212,566)
Retained Profits	14,329,692	-	(203,724)	14,125,968	12,288,742	-	(202,371)	12,086,371
Equity attributable to owners of the parent	**22,047,511**	**-**	**(204,121)**	**21,843,390**	**21,008,663**	**-**	**(211,596)**	**20,797,067**
Non Controlling Interests	1,205,576	-	-	1,205,576	1,288,723			1,288,723
TOTAL EQUITY	**23,253,087**	**-**	**(204,121)**	**23,048,966**	**22,297,386**	**-**	**(211,596)**	**22,085,790**
NON-CURRENT LIABILITIES								
Interest bearing loans and borrowings	9,990,243	-	-	9,990,243	8,332,604	-	-	8,332,604
Deferred Taxation	17,559	-	-	17,559	45,267	-	-	45,267
Provisions		-	-	-	647,331	-	-	647,331
Derivatives Liabilities	218,218	-	-	218,218	183,819	-	-	183,819
	10,226,020	**-**	**-**	**10,226,020**	**9,209,021**	**-**	**-**	**9,209,021**
CURRENT LIABILITIES								
Interest bearing loans and borrowings	1,586,036	-	-	1,586,036	5,859,556	-	-	5,859,556
Trade & Other Payables	3,418,450	-	-	3,418,450	3,934,580	-	-	3,934,580
Provision for Taxation	36,425	-	-	36,425	59,217	-	-	59,217
Amounts due to Group Companies	71,818	-	-	71,818	17,638	-	-	17,638
Amounts due to Associates	3,176	-	-	3,176	3,003	-	-	3,003
Amounts due to Jointly Controlled Entities	340,882	-	-	340,882	45,929	-	-	45,929
Derivative Liabilities	-	-	-	-	2,327	-	-	2,327
Liabilities of assets held for sale	-	-	-	-	-	-	-	-
	5,456,787	**-**	**-**	**5,456,787**	**9,922,250**	**-**	**-**	**9,922,250**
TOTAL LIABILITIES	**15,682,807**	**-**	**-**	**15,682,807**	**19,131,271**	**-**	**-**	**19,131,271**
TOTAL EQUITY AND LIABILITIES	**38,935,894**	**-**	**(204,121)**	**38,731,773**	**41,428,657**	**-**	**(211,596)**	**41,217,061**