

ALAM MARITIM RESOURCES BERHAD (700849-K)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENT OF THE GROUP
FOR THE NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

		THIRD QUARTER		CUMULATIVE QUARTER	
	Note	Current Year Ended 30.09.2006 RM'000 unaudited	Preceding Year Ended 30.09.2005* RM'000 unaudited	Current Year-To-Date Ended 30.09.2006 RM'000 Unaudited	Preceding Year-To-Date Ended 30.09.2005* RM'000 unaudited
Revenue	4	41,884	N / A	143,758	N / A
Cost of sales		(21,996)	N / A	(89,536)	N / A
Gross profit		19,888	N / A	54,222	N / A
Other income		1,181	N / A	2,099	N / A
Staff costs		(2,160)	N / A	(5,438)	N / A
Depreciation and amortisation		(1,502)	N / A	(3,859)	N / A
Other operating expenses		(622)	N / A	(2,627)	N / A
Profit from operations		16,785	N / A	44,397	N / A
Finance costs		(4,641)	N / A	(10,477)	N / A
Share of profit of associates		298	N / A	298	N / A
Profit before taxation and negative goodwill		12,442	N / A	34,218	N / A
Negative goodwill		-	N / A	23,628	N / A
Profit before taxation		12,442	N / A	57,846	N / A
Taxation	19	(3,007)	N / A	(9,539)	N / A
Profit after taxation		9,435	N / A	48,307	N / A
Pre-acquisition profit		-	N / A	(5,312)	N / A
Net profit for the period		9,435	N / A	42,995	N / A
Attributable to:					
Equity holders of the parent		9,605	N / A	42,726	N / A
Minority interest		(170)	N / A	269	N / A
		9,435	N / A	42,995	N / A
Earnings per share attributable to equity holders of the parent					
- Basic (Sen)	27	6.2	N / A	29.3	N / A
- Diluted (Sen)		5.9	N / A	28.1	N / A

Note :

* Since this is the first year of issuance of quarterly reports after the Group was conceived on 21 April 2006, there are no comparative consolidated figures for the preceding year's corresponding quarter and year-to-date.

The condensed consolidated income statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

ALAM MARITIM RESOURCES BERHAD (700849-K)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET OF THE GROUP
AS AT 30 SEPTEMBER 2006**

	As At 30.09.2006 RM'000 (Unaudited)	As At 31.12.2005* RM'000 (Audited)
Assets		
Non-current Assets		
Property, plant and equipment	366,923	-
Investment in associated company	649	-
	<u>367,572</u>	<u>-</u>
Current Assets		
Other receivables	56,751	712
Trade receivables	63,328	-
Short term deposits	7,745	-
Cash and bank balances	3,582	-
	<u>131,406</u>	<u>712</u>
Total Assets	<u>498,978</u>	<u>712</u>
Equity And Liabilities		
Equity Attributable To Equity Holders Of The Parent		
Share capital	81,183	**
Share premium	30,611	-
Other reserves	711	-
Retained profits/(accumulated losses)	42,706	(20)
	<u>155,211</u>	<u>(20)</u>
Minority interest	2,200	-
Total Equity	<u>157,411</u>	<u>(20)</u>
Non-current Liabilities		
Long-term borrowings	231,465	-
Deferred taxation	36,413	-
	<u>267,878</u>	<u>-</u>
Current Liabilities		
Short-term borrowings	34,322	-
Other payables	13,272	732
Trade payables	25,490	-
Taxation	605	-
	<u>73,689</u>	<u>732</u>
Total Liabilities	<u>341,567</u>	<u>732</u>
Total Equity And Liabilities	<u>498,978</u>	<u>712</u>
Net (Liabilities)/Assets Per Share (RM)	<u>0.96</u>	<u>(10,000.00)</u>

Notes :

* As this is the first year of issuance of quarterly reports after the Group was conceived on 21 April 2006, there are no comparative consolidated figures for the preceding financial year. The comparative figures relate to AMRB company level's position only as the subsidiaries had not been acquired as at 31.12.2005.

** Represents RM1.00

The condensed consolidated balance sheet should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

ALAM MARITIM RESOURCES BERHAD (700849-K)*(Incorporated in Malaysia)***UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP
FOR THE NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

	Share Capital RM'000	Non-Distributable Share Premium	Other Reserves	Distributable (Accumulated Losses) / Retained Profits RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
As at 1 January 2006	*	-	-	(20)	(20)	1,931 **	1,911
Net profit for the period	-	-	-	42,726	42,726	269	42,995
Issue of ordinary shares pursuant to							
- Acquisition of subsidiaries	66,558	-	-	-	66,558	-	66,558
- Initial public offering	14,610	33,602	-	-	48,212	-	48,212
- ESOS	15	35	-	-	50	-	50
Transaction costs	-	(3,026)	-	-	(3,026)	-	(3,026)
Share-based payment under ESOS	-	-	711	-	711	-	711
As at 30 September 2006	81,183	30,611	711	42,706	155,211	2,200	157,411

Notes :

* Represents RM1.00 comprising two (2) ordinary shares of RM0.50 each.

** Represents minority interest arising from consolidation as at 21 April 2006 (the date when the Group came into existence).

The condensed consolidated statement of changes in equity of the Group should be read in conjunction the accompanying explanatory notes attached to the interim financial statements.

ALAM MARITIM RESOURCES BERHAD (700849-K)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT OF THE GROUP
FOR THE NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

	Current Year-To-Date Ended 30.09.2006 RM'000 Unaudited	Preceding Year-to-Date Ended 30.09.2005* RM'000 unaudited
Net cash used in operating activities	(41,997)	N / A
Net cash used in investing activities	(247,934)	N / A
Net cash generated from financing activities	<u>301,258</u>	N / A
Net increase in cash and cash equivalents	11,327	N / A
Cash and cash equivalents at beginning of financial period	<u>**</u>	N / A
Cash and cash equivalents at end of financial period	<u><u>11,327</u></u>	N / A
 Cash and cash equivalents at the end of the financial period comprise the following:		
Short-term deposits	7,745	N / A
Cash and bank balances	<u>3,582</u>	N / A
	<u><u>11,327</u></u>	N / A

Notes :

* As this is the first quarterly report being drawn up after the Group was conceived on 21 April 2006, there are no comparative consolidated figures for the preceding year.

** Represents RM1.00.

The condensed consolidated cash flow statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention. The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the explanatory notes attached to the interim financial statements which 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.

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 December 2005 except for the adoption of the following new or revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2006:

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

Apart from FRS 3 and FRS 101, the adoption of the other new or revised FRSs does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the new or revised FRSs are discussed below:

(a) FRS 3: Business Combinations

The FRS 3 requires that, after assessment, any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the acquisition (previously referred to as "negative goodwill") should be recognized immediately in the income statement and FRS 3 prohibits the recognition of negative goodwill in the balance sheet.

In compliance with the requirements of the new FRS 3, negative goodwill arising from the restructuring scheme prior to the upcoming listing of Alam Maritim Resources Berhad ("the Company") on the Main Board of Bursa Securities, totaling RM 23.628 million, was recognized immediately in the income statement for the nine (9) months financial period ended 30 September 2006.

(b) FRS 101: Presentation of Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest, and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the net profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest. The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101.

ALAM MARITIM RESOURCES BERHAD (700849-K)
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3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements of the Company and its subsidiaries for the year ended 31 December 2005 were not qualified.

4. SEGMENTAL INFORMATION

The results and other information of the Group as at 30 September 2006 are as follows:

	Offshore support vessels and services RM'000	Underwater services RM'000	Others RM'000	Consolidation RM'000	TOTAL RM'000
Revenue					
External	133,934	9,202	622	-	143,758
Intra group	4,468	90	833	(5,391)	-
Total	<u>138,402</u>	<u>9,292</u>	<u>1,455</u>	<u>(5,391)</u>	<u>143,758</u>
Results					
Profits from operations	44,901	(131)	(163)	(210)	44,397
Finance costs	(10,346)	(127)	(4)	-	(10,477)
Share of profit of associates	-	-	-	298	298
Negative goodwill	-	-	-	23,628	23,628
Profit before taxation	<u>34,555</u>	<u>(258)</u>	<u>(167)</u>	<u>23,716</u>	<u>57,846</u>

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial year-to-date except as disclosed in Note 2.

6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current financial year-to-date results.

7. SEASONAL AND CYCLICAL FACTORS

The Group's performance would be subject to the risk of increase in downtime and off-hires due to the adverse weather conditions such as monsoon seasons. In this respect, one (1) of the Group's smaller-sized vessels, which is under spot charter contract, and underwater services would inevitably be affected by the monsoon seasons and this would result in fluctuation in the Group's earnings over the financial year.

Notwithstanding the above, fifteen (15) out of the Group's fleet of sixteen (16) vessels are currently under fixed charter contracts whereby the vessels are to be made available regardless of the weather condition. This, in turn, will provide the Group with a steady stream of income.

8. DIVIDENDS PAID

No dividend was paid during the current financial year-to-date.

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of the property, plant and equipment in the current financial year-to-date under review.

ALAM MARITIM RESOURCES BERHAD (700849-K)
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10. DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayments of debts and equity securities except for the following:

Employee Share Options Scheme (“ESOS”)

During the financial period ended 30 September 2006, the Company issued 30,000 ordinary shares of RM 0.50 each for cash pursuant to the Company’s ESOS at exercise price of RM 1.65 per ordinary share.

11. CHANGES IN COMPOSITION OF THE GROUP

On 18 September 2006, Alam Maritim (L) Inc (“AMLi”), a wholly-owned subsidiary of the Company, incorporated three (3) offshore subsidiaries under the Offshore Companies Act 1990 which are as follows:

a) Alam Synergy I (L) Inc

Company number: LL05509
Authorised capital: USD10 million divided into 10 million shares of USD1.00 each
Paid-up capital: USD100 divided into 100 shares of USD1.00 each

b) Alam Synergy II (L) Inc

Company number: LL05510
Authorised capital: USD10 million divided into 10 million shares of USD1.00 each
Paid-up capital: USD100 divided into 100 shares of USD1.00 each

c) Alam Synergy III (L) Inc

Company number: LL05511
Authorised capital: USD10 million divided into 10 million shares of USD1.00 each
Paid-up capital: USD100 divided into 100 shares of USD1.00 each

The three (3) offshore companies have not commenced operation since the date of incorporation.

12. CAPITAL COMMITMENTS

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim condensed financial statements as at 30 September 2006 is as follows:

	RM'000
Approved and contracted for:	
Expenditure on the acquisition of vessel and equipment	150,960
Approved but not contracted for:	
Expenditure on the acquisition of vessels and equipment	44,400
Total	<u>195,360</u>

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 30 September 2006, our contingent liabilities, comprising bank and performance guarantees for contracts entered into with customers, stood at approximately RM 4.0 million. The Company’s wholly-owned subsidiary, AMSB, has also provided a corporate guarantee for the banking facilities amounting to RM 5.0 million granted by Malayan Banking Berhad to Alam Hidro (M) Sdn. Bhd. (“AHSB”), a 70%-owned subsidiary of AMSB.

Save as disclosed above, there were no material contingent liabilities that may, upon materialisation, have a material effect on the Group’s financial results or position.

14. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current quarter except for the following:

a) Increase in Issued And Paid-up Capital of Subsidiaries

On 6 October 2006, the issued and paid-up share capital of Alam Synergy I (L) Inc ("Alam Synergy I"), Alam Synergy II (L) Inc ("Alam Synergy II"), Alam Synergy III (L) Inc ("Alam Synergy III"), all being wholly-owned subsidiaries of Alam Maritim (L) Inc ("AML I"), was increased to USD950,000, USD950,000 and USD2,180,000 respectively. All new ordinary shares were issued at the par value of USD1.00 each.

b) Transfer of Shares in Subsidiaries

On 16 October 2006, the entire issued and paid-up share capital of Alam Synergy I, Alam Synergy II, Alam Synergy III were transferred from AML I to Alam Maritim (M) Sdn Bhd ("AMSB"). Both AML I and AMSB are wholly-owned subsidiaries of Alam Maritim Resources Berhad. Details of the transfers are set out below:

Class of Shares	Transferor	Transferee	No. of Shares (USD1.00 each)	Consideration (USD)
Ordinary	AML I	AMSB	950,000	950,000
Ordinary	AML I	AMSB	950,000	950,000
Ordinary	AML I	AMSB	2,180,000	2,180,000

c) Disposal of Shares in Subsidiaries

On 6 November 2006, AMSB transferred 40% of its respective shareholdings in Alam Synergy I, Alam Synergy II, Alam Synergy III to Synergy Sparkle Sdn Bhd ("SSSB"), a wholly-owned subsidiary of Global Maritime Ventures Berhad, for a total purchase consideration of USD1,632,000. Details of the transfers are set out below:

Companies	Class of Shares	No. of Shares (USD1.00 each)	Consideration (USD)
Alam Synergy I	Ordinary	380,000	380,000
Alam Synergy II	Ordinary	380,000	380,000
Alam Synergy III	Ordinary	872,000	872,000

The disposal of shares was part of the arrangement to facilitate the joint venture between AMSB and SSSB for the purpose of owning and operating three (3) new vessels acquired recently by AMSB. Details of the acquisitions had earlier been announced to Bursa Securities on 21 August 2006.

d) Issue of Shares

Subsequent to 30 September 2006, the Company issued 25,000 ordinary shares of RM 0.50 each for cash pursuant to the Company's ESOS at exercise price of RM1.65 per ordinary share.

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
 BURSA MALAYSIA SECURITIES BERHAD**

15. PERFORMANCE REVIEW

The Group recorded an encouraging profit before taxation of RM57.85 million on the back of a turnover of RM143.76 million for the financial year-to-date under review.

There were no comparative figures in the preceding year as this is the first year of issuance of the quarterly announcements after the Company was listed on the Main Board of Bursa Securities on 20 July 2006.

16. MATERIAL CHANGE IN PROFIT BEFORE TAXATION OF CURRENT QUARTER

The Group's revenue for the current quarter of RM 41.88 million was marginally higher than the preceding quarter's revenue figure of RM 38.88 million (restated) by 7.7% mainly due to higher charter hire revenue derived from owned vessels despite lower contribution from third party vessels.

Profit before taxation ("PBT") of the Group for the preceding quarter of RM 37.03 million (restated) was substantially higher than the current quarter's PBT of RM 12.44 million by 66.4% mainly due to the recognition of negative goodwill in the income statement in the preceding quarter, totaling RM 23.63 million, pursuant to the compliance of the new FRS 3 requirements.

17. COMMENTARY ON PROSPECTS

The Group expects the offshore support vessels and services to continue to contribute significantly to the consolidated revenue and profitability of the Group for the current financial year. Given the robust growth in the Malaysian oil and gas industry, and the increase in activities in the exploration and production ("E&P") anchored by PETRONAS, the demand for the Group's offshore support vessels and services is expected to remain bullish. The recent tender exercise announced by PETRONAS for twenty-three (23) marine vessels, to support the current E&P programs, has reaffirmed the good prospect in the upstream sector of the industry.

The vast opportunities, within and outside Malaysia, made available for the Group to participate in the offshore facilities construction and installation related works are expected to further boost up the revenue stream and financial performance for the financial year under review.

Barring any unforeseen circumstances, the Board of Directors are of the opinion that the profit forecast for the financial year ending 31 December 2006 is achievable.

18. PROFIT FORECAST

Save for the profit forecast issued in its Prospectus dated 29 June 2006, the Group did not issue any forecast for the current financial quarter. Disclosure on explanatory notes for the variance between actual and forecast results would only be required in the final quarter announcement for the current financial year ending 31 December 2006.

19. INCOME TAX EXPENSE

	Current Quarter		Year-To-Date	
	30.09.2006 RM'000	30.09.2005 RM'000	30.09.2006 RM'000	30.09.2005 RM'000
Current taxation	(5,380)	N/A	1,152	N/A
Deferred taxation	8,387	N/A	8,387	N/A
Associated company	-	N/A	-	N/A
	3,007	N/A	9,539	N/A

The effective tax rate of the Group for the current financial year-to-date under review of 16.5% is lower than the statutory tax rate mainly due to exclusion of negative goodwill for tax purposes.

ALAM MARITIM RESOURCES BERHAD (700849-K)
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20. SALE OF PROPERTIES

There were no sales of properties in the financial year-to-date under review.

21. INVESTMENTS IN QUOTED SECURITIES

There were no dealings by the Group in quoted securities for the financial year-to-date under review.

22. CORPORATE PROPOSALS

On 20 July 2006, the entire issued and paid-up capital of the Company, comprising 162,336,082 ordinary shares of RM 0.50 each ("AMRB Shares"), were listed and quoted on the Main Board of Bursa Securities.

The listing proceeds from the initial public offering ("IPO") exercise have been utilised in the current financial quarter in the following manner:

No	Purpose	RM '000	Utilised Amount As Of 30.09.2006 (RM '000)
1	Part payment for the acquisition of vessels	28,228	28,182
2	Repayment of bank borrowings	14,500	Fully utilised
3	Working capital	2,484	26
4	Listing expenses	3,000	Fully utilised
Total		48,212	

The timeframe for utilisation of IPO proceeds is twelve (12) months from the date of the Prospectus i.e. 29 June 2006.

23. BORROWINGS

	Denominated in local currency As at 30.09.2006 RM'000	Denominated in Foreign currency As at 30.09.2006 RM'000	Total As at 30.09.2006 RM'000
Short-term borrowings			
Unsecured:			
Revolving credit facilities	10,000	-	10,000
Overdraft	1,614	-	1,614
Secured:			
Term loans	14,620	7,960	22,580
Hire purchase	128	-	128
			<u>34,322</u>
Long-term borrowings			
Secured:			
Term loans	104,608	125,027	229,635
Hire purchase	1,830	-	1,830
			<u>231,465</u>
			<u>265,787</u>

Borrowings denominated in foreign currency:

	USD'000	RM'000 Equivalent
United States Dollar (USD)	35,942	132,987

24. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no off balance sheet financial instruments as at 16 November 2006.

ALAM MARITIM RESOURCES BERHAD (700849-K)
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25. CHANGES IN MATERIAL LITIGATION

The Group is not engaged in any material litigation, whether as plaintiff or defendant, which may have a material impact on the financial position or performance of the Group as at 16 November 2006. The Board of Directors does not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial or business position of the Group.

26. DIVIDEND PAYABLE

No dividend was proposed or declared for the financial year-to-date under review.

27. EARNINGS PER SHARE ("EPS")

Basic EPS

Basic earnings per share amount is calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	Current Quarter 30.09.2006	Current Year-To-Date 30.09.2006
Profit attributable to equity holders of the parent (RM'000)	9,605	42,726
Weighted average number of ordinary shares in issue ('000)	155,995	146,030
Basic EPS (Sen)	6.2	29.3

Diluted EPS

Diluted earnings per share amount is calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period after adjusting for the dilutive effects of all potential ordinary shares to be issued under ESOS.

	Current Quarter 30.09.2006	Current Year-To-Date 30.09.2006
Profit attributable to equity holders of the parent (RM'000)	9,605	42,726
Weighted average number of ordinary shares in issue ('000)	155,995	146,030
Effects of dilution from ESOS* ('000)	5,802	5,802
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	161,797	151,832
Diluted EPS (Sen)	5.9	28.1

*Note: The estimation of effects of dilution from ESOS was based on the closing price of RM 2.21 as of 29 September 2006

28. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 16 November 2006.

BY ORDER OF THE BOARD

Haniza bt Sabaran
(MAICSA No. 7032233)
Company Secretary
Kuala Lumpur
16 November 2006