

**CONDENSED CONSOLIDATED INCOME STATEMENT OF THE GROUP
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2007**

	Note	SECOND QUARTER		CUMULATIVE QUARTER	
		Current Year Ended 30.06.2007 RM'000 Unaudited	Preceding Year Ended 30.06.2006* RM'000 Restated	Current Year-To-Date Ended 30.06.2007 RM'000 Unaudited	Preceding Year-To-Date Ended 30.06.2006* RM'000 Restated
Revenue	4	48,548	38,884	110,414	38,884
Cost of sales		<u>(25,617)</u>	<u>(21,801)</u>	<u>(62,604)</u>	<u>(21,801)</u>
Gross profit		22,931	17,083	47,810	17,083
Other income		5,636	626	6,371	626
Staff costs		(3,401)	(1,037)	(6,184)	(1,037)
Depreciation and amortisation		(1,811)	(2,357)	(3,634)	(2,357)
Other operating expenses		<u>(2,448)</u>	<u>539</u>	<u>(3,674)</u>	<u>539</u>
Profit from operations		20,907	14,854	40,689	14,854
Finance costs		(5,592)	(1,453)	(9,588)	(1,453)
Share of profit of associates		<u>103</u>	<u>N / A</u>	<u>185</u>	<u>N / A</u>
Profit before taxation and negative goodwill		15,418	13,401	31,286	13,401
Negative goodwill		<u>-</u>	<u>23,628</u>	<u>-</u>	<u>23,628</u>
Profit before taxation		15,418	37,029	31,286	37,029
Taxation	19	<u>(3,492)</u>	<u>(8,999)</u>	<u>(7,928)</u>	<u>(8,999)</u>
Net profit for the period		<u>11,926</u>	<u>28,030</u>	<u>23,358</u>	<u>28,030</u>
Attributable to:					
Equity holders of the parent		10,133	27,372	20,291	27,372
Minority interest		1,793	658	3,067	658
		<u>11,926</u>	<u>28,030</u>	<u>23,358</u>	<u>28,030</u>
Earnings per share attributable to equity holders of the parent	27				
- Basic (Sen)		6.2	20.6	12.5	20.6
- Diluted (Sen)		5.8	N / A	11.5	N / A

Note :

* The comparative consolidated figures for the preceding year's corresponding quarter and year-to-date reflect financial results for two (2) months only as the AMRB Group was only conceived on 21 April 2006.

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

**CONDENSED CONSOLIDATED BALANCE SHEET OF THE GROUP
AS AT 30 JUNE 2007**

	As At 30.06.2007 RM'000 (Unaudited)	As At 31.12.2006 RM'000 (Audited)
Assets		
Non-current Assets		
Property, vessel and equipment	513,514	452,372
Investment in associated company	1,376	648
Intangible Assets	1,167	-
	<u>516,057</u>	<u>453,020</u>
Current Assets		
Other receivables	9,593	3,427
Trade receivables	83,375	89,120
Tax Recoverable	15	15
Cash and bank balances	32,322	19,120
	<u>125,305</u>	<u>111,682</u>
Total Assets	<u>641,362</u>	<u>564,702</u>
Equity And Liabilities		
Equity Attributable To Equity Holders Of The Parent		
Share capital	81,501	81,269
Share premium	31,281	30,748
Other reserves	5,841	3,505
Retained profits	69,757	49,466
	<u>188,380</u>	<u>164,988</u>
Minority interest	12,358	9,184
Total Equity	<u>200,738</u>	<u>174,172</u>
Non-current Liabilities		
Long-term borrowings	258,845	242,972
Deferred taxation	37,044	33,536
	<u>295,889</u>	<u>276,508</u>
Current Liabilities		
Short-term borrowings	95,795	53,603
Other payables	7,007	12,623
Trade payables	31,883	41,354
Taxation	10,050	6,442
	<u>144,735</u>	<u>114,022</u>
Total Liabilities	<u>440,624</u>	<u>390,530</u>
Total Equity And Liabilities	<u>641,362</u>	<u>564,702</u>
Net Assets/(Liabilities) Per Share (RM)	<u>1.16</u>	<u>1.02</u>

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

**CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2007**

	Attributable to Equity Holders of the Parent						Minority Interest	Total Equity
	Share Capital	Non-Distributable Share Premium	Other Reserves	Distributable (Accumulated Losses) / Retained Profits	Total	Minority Interest	Total Equity	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 1 January 2006	*	-	-	(21)	(21)	-	(21)	
Net profit for the period	-	-	-	49,487	49,487	534	50,021	
Issue of ordinary shares pursuant to								
- Acquisition of subsidiaries	66,558	-	-	-	66,558	2,168	68,726	
- Initial public offering	14,610	33,602	-	-	48,212	-	48,212	
- ESOS	101	233	-	-	334	-	334	
Transaction costs	-	(3,087)	-	-	(3,087)	-	(3,087)	
Disposal of equity interest in subsidiaries	-	-	-	-	-	6,482	6,482	
Share options granted under ESOS	-	-	3,505	-	3,505	-	3,505	
As at 31 December 2006	81,269	30,748	3,505	49,466	164,988	9,184	174,172	
As at 1 January 2007	81,269	30,748	3,505	49,466	164,988	9,184	174,172	
Net profit for the period	-	-	-	20,291	20,291	3,067	23,358	
Issue of ordinary shares								
- Pursuant to ESOS	232	533	-	-	765	-	765	
Acquisition of a subsidiary	-	-	-	-	-	47	47	
Issue of new shares by a subsidiary	-	-	-	-	-	352	352	
Share options granted under ESOS	-	-	2,336	-	2,336	-	2,336	
Dividend paid	-	-	-	-	-	(292)	(292)	
At 30 June 2007	81,501	31,281	5,841	69,757	188,380	12,358	200,738	

Notes :

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

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.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT OF THE GROUP
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2007**

	Current Year-To-Date Ended 30.06.2007 RM'000 Unaudited	Preceding Year-To-Date Ended 30.06.2006 RM'000 Unaudited
Net cash generated from operating activities	25,813	219
Net cash used in investing activities	(70,215)	(237,068)
Net cash generated from financing activities	<u>57,604</u>	<u>256,471</u>
Net increase in cash and cash equivalents	13,202	19,622
Cash and cash equivalents at beginning of financial period	<u>19,120</u>	<u>-</u>
Cash and cash equivalents at end of financial period	<u>32,322</u>	<u>19,622</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Short-term deposits	14,133	7,455
Cash and bank balances	<u>18,189</u>	<u>12,167</u>
	<u>32,322</u>	<u>19,622</u>

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 2006 except for the adoption of the following new or revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2007:

FRS 6	Exploration for and Evaluation of Mineral Resources
FRS 117	Leases
FRS 119 ²⁰⁰⁴	Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosure
FRS 124	Related Party Disclosures

The group has not adopted FRS 139 Financial Instruments: Recognition and measurement as its effective date has been deferred indefinitely.

The adoption of other new or revised FRSs does not have significant financial impact on the Group. The effects on the adoption of FRS 117 and 124 have been exempted from disclosure.

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 2006 were not qualified.

4. SEGMENTAL INFORMATION

The results and other information of the Group as at 30 June 2007 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	96,433	12,991	990	-	110,414
Intra group	-	-	674	(674)	-
Total	96,433	12,991	1,664	(674)	110,414
Results					
Profits from operations	36,864	5,965	(1,073)	(1,067)	40,689
Finance costs	(9,554)	(25)	(9)	-	(9,588)
Share of profit of associate	-	-	-	185	185
Profit before taxation	27,310	5,940	(1,082)	(882)	31,286

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 period 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, two (2) of the Group's smaller-sized vessels, of which one (1) is under spot charter contract, and underwater services would inevitably be affected by the monsoon seasons.

Notwithstanding the above, thirteen (13) out of the Group's fleet of fifteen (15) 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 period under review.

9. VALUATION OF PROPERTY, VESSEL AND EQUIPMENT

There was no valuation of the property, vessel and equipment in the current financial period under review.

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 June 2007, the Company issued 347,900 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

There were no changes in the composition of the Group for the current financial quarter.

12. CAPITAL COMMITMENTS

The amount of commitments for the purchase of property, vessel and equipment not provided for in the interim condensed financial statements as at 30 June 2007 is as follows:

	RM'000
Approved and contracted for:	
Expenditure on the acquisition of vessels and equipment	89,726
Approved but not contracted for:	
Expenditure on the acquisition of vessels and equipment	-
Total	89,726

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 30 June 2007, our contingent liabilities, comprising bank and performance guarantees for contracts entered into with customers, stood at approximately RM 9.2 million. In addition, the Company has provided corporate guarantee for the credit facilities totalling USD28.56 million granted by Maybank International (L) Ltd. to 60%-owned subsidiaries of Alam Maritim (M) Sdn. Bhd. ("AMSB"), the company's wholly-owned subsidiary, namely Alam Synergy I (L) Inc., Alam Synergy II (L) Inc., Alam Synergy III (L) Inc.

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:

Issue of Shares

Subsequent to 30 June 2007, the Company issued 2,377,100 and 8,750 ordinary shares of RM0.50 each for cash at the respective exercise prices of RM1.65 and RM3.87 per ordinary share pursuant to the AMRB Employee Share Options Scheme (ESOS).

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

15. PERFORMANCE REVIEW

The Group recorded a turnover of RM110.41 million for the six-month period under review as compared to RM38.88 million (restated) revenue for the two-month period after the Group came into existence on 21 April 2007 in the preceding financial year.

The profit before taxation ("PBT") of RM31.29 million for the current financial period was lower than the preceding year's results of RM37.03 million mainly due to one-time recognition of negative goodwill of RM23.63 million in the last financial year, arising from the restructuring scheme prior to the listing of the Company on the Main Board of Bursa Securities.

16. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group's revenue for the current quarter of RM48.55 million was lower than the preceding quarter's revenue figure of RM61.87 million by 21.5% mainly due to lower revenue contributed by third party vessels as well as lower revenue registered by Underwater Services segment.

Despite the lower revenue recorded for the current quarter, the profit before taxation ("PBT") of the Group of RM15.42 million was marginally lower than the preceding quarter's PBT of RM15.87 million by 2.8% only, mainly due to higher contribution margin derived from Offshore Support Vessels and Services segment. Besides, the adverse impact was also mitigated to certain extent by gain on disposal of one (1) of the Group's vessels namely MV Setia Bakti.

17. COMMENTARY ON PROSPECTS

The upstream exploration and production ("E&P") activities of the Malaysian oil and gas industry are expected to remain robust with the steady crude oil prices and sizable contracts currently made available by the oil majors for the next five (5) years. The higher demand for offshore support vessels and services will ensure sustainable daily charter rates and revenue growth for the Group.

The Group has taken delivery of three (3) newly acquired vessels recently and together with the remaining seven (7) vessels, scheduled to be delivered this year and early next year, are poised to contribute positively to the financial results for the financial year ending 31 December 2007 and beyond. With less reliance on third party vessels, the overall profit margin is expected to improve over the years as contribution margin from own vessels is substantially higher than third party vessels.

The Group is also very active in submitting proposals and bids for potential contracts, under Underwater Services segment, to leverage on the healthy demand for sub-sea engineering and related works especially for deepwater environment. The newly commissioned observation-class Remotely Operated Vehicle (ROV), together with the new order for another two (2) units of work-class ROV (which are scheduled to be operational this year), will augur well for the good prospect of this growing segment.

The Board of Directors is confident that the Group's business will remain profitable for the financial year ending 31 December 2007.

18. PROFIT FORECAST

The Group has not issued any profit forecast for the current financial year and therefore no comparison is available.

19. INCOME TAX EXPENSE

	Current Quarter		Year-To-Date	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	RM'000	RM'000	RM'000	RM'000
Current taxation	1,025	2,466	1,953	2,466
Deferred taxation	2,467	6,533	5,975	6,533
	<u>3,492</u>	<u>8,999</u>	<u>7,928</u>	<u>8,999</u>

The effective tax rate of the Group for the current financial period under review of 25.3% is lower than the statutory tax rate of 27% mainly due to certain income which is not taxable.

20. SALE OF PROPERTIES

On 14 May 2007, Alam Eksplorasi (M) Sdn. Bhd., a 60%-owned subsidiary of the Group, completed the sale of MV Setia Bakti to Naviera Armamex S.A. De C.V. for a total cash consideration of USD2,050,000. The sale of the vessel resulted in a net gain on disposal of RM4.74 million.

21. INVESTMENTS IN QUOTED SECURITIES

There were no dealings by the Group in quoted securities for the financial period under review.

22. CORPORATE PROPOSALS

On 24 May 2007, the Company announced the proposed corporate exercises comprising the following:

- (i) a bonus issue of up to 62,131,109 bonus shares on the basis of three (3) bonus shares for every eight (8) existing AMRB shares;
- (ii) a subdivision of shares involving the subdivision of every one (1) AMRB share into two (2) subdivided shares upon completion of the proposed bonus issue;
- (iii) a private placement of up to 10% of the issued and paid-up share capital of the Company upon completion of the proposed bonus issue and proposed subdivision of shares; and
- (iv) amendments to the M&A of AMRB.

The proposals were approved by shareholders at an Extraordinary General Meeting held on 27 June 2007. The Securities Commission and Bursa Malaysia Securities Berhad had granted the necessary approvals via their respective letters dated 27 July 2007 and 16 August 2007. The proposals are expected to be completed before end of the current financial year.

23. BORROWINGS

	Denominated in Local Currency As at 30.06.2007 RM'000	Denominated in Foreign Currency As at 30.06.2007 RM'000	Total
Short Term Borrowings			
Unsecured:			
Revolving credit facilities	75,135	-	75,135
Overdraft	4,663	-	4,663
Secured:			
Term loans	8,826	6,338	15,164
Loan stocks	659	-	659
Hire purchase	174	-	174
			95,795
Long-term borrowings			
Secured:			
Term loans	97,894	130,728	228,622
Loan stocks	28,947	-	28,947
Hire purchase	1,276	-	1,276
			258,845
Total Borrowings			354,639
Borrowings denominated in foreign currency: -		USD'000	RM'000 Equivalent
United States Dollar (USD)		39,678	137,066

24. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no off balance sheet financial instruments as at 28 August 2007.

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 28 August 2007. 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

The Board of Directors had proposed for a final dividend of 3.0% or 1.50 Sen per share (less 27% taxation) for the financial year ended 31 December 2006, which was approved by the shareholders at the Annual General Meeting held on 27 June 2007. The aforesaid final dividend was paid on 21 August 2007.

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		Year-To-Date	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	RM'000	RM'000	RM'000	RM'000
Profit attributable to equity holders of the parent	10,133	27,372	20,291	27,372
Weighted average number of ordinary shares in issue	162,591	133,117	162,710	133,117
Basic EPS (Sen)	6.2	20.6	12.5	20.6

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		Year-To-Date	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	RM'000	RM'000	RM'000	RM'000
Profit attributable to equity holders of the parent	10,133	-	20,291	-
Weighted average number of ordinary shares in issue	162,591	-	162,710	-
Effects of dilution from ESOS*	13,444	-	13,532	-
Adjusted weighted average number of ordinary shares in issue and issuable	176,035	-	176,242	-
Diluted EPS (Sen)	5.8	-	11.5	-

*Note: The estimation of effects of dilution from ESOS was based on the closing price of RM4.34 as at 29 June 2007.

28. PUBLIC SHAREHOLDING SPREAD REQUIREMENT PURSUANT TO PARAGRAPH 8.15 (1) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

Based on the Record of Depositors dated 30 June 2007, the Company is not in compliance with the public shareholding spread requirement pursuant to Paragraph 8.15 (1) of the Listing Requirements.

The details of public shareholding spread as at 30 June 2007 are as follows:

- a) Percentage (%) of public shareholding spread - 26.83%;
- b) Public shareholders holding not less than 100 shares each - 701 (a shortfall of 299 public shareholders from the minimum public shareholding requirement of 1,000 public shareholders)

The Company had proposed to undertake corporate exercises which include bonus issue, sub-division of shares and private placement ("the Proposals") of which the approval from the shareholders was obtained at the Extraordinary General Meeting held on 27 June 2007. The Securities Commission had also granted necessary approval via its letter dated 27 July 2007. The Company intends to implement the Proposals immediately which are expected to be completed within the second half of the financial year ending 31 December 2007.

The Company believes that the implementation of the Proposals will address the issue of non-compliance with the public shareholding spread requirement and will make immediate announcement when it complies with Paragraph 8.15(1) of the Listing Requirements.

29. 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 28 August 2007.

BY ORDER OF THE BOARD

Haniza Binti Sabaran
(MAICSA No. 7032233)
Company Secretary
Kuala Lumpur
28 August 2007