

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	Note	FOURTH QUARTER		CUMULATIVE QUARTER	
		Current Quarter Ended 31.12.2010 RM'000 Unaudited	Preceding Quarter Ended 31.12.2009 RM'000 Audited	Current Year-To-Date Ended 31.12.2010 RM'000 Unaudited	Preceding Year-To-Date Ended 31.12.2009 RM'000 Audited
Revenue	A4	51,978	120,043	253,974	348,917
Cost of sales		<u>(41,480)</u>	<u>(76,659)</u>	<u>(175,291)</u>	<u>(194,930)</u>
Gross profit		10,498	43,384	78,683	153,987
Other income		(11,246)	4,929	4,628	7,632
Staff costs		(6,706)	(10,720)	(15,982)	(24,646)
Other operating expenses		<u>(46,173)</u>	<u>(19,732)</u>	<u>(59,284)</u>	<u>(25,068)</u>
Profit from operations		(53,627)	17,861	8,045	111,905
Finance costs		(6,499)	(6,576)	(27,073)	(25,875)
Share of profit of associates		4,156	3,284	3,186	3,284
Share of profit of jointly controlled entities		<u>(1,861)</u>	<u>21,673</u>	<u>13,520</u>	<u>23,211</u>
Profit/(Loss) before taxation		(57,831)	36,242	(2,322)	112,525
Taxation	B5	<u>9,811</u>	<u>(455)</u>	<u>4,600</u>	<u>(17,158)</u>
Net profit/(loss) for the period		(48,020)	35,787	2,278	95,367
Other comprehensive income					
Currency translation differences		<u>(3,098)</u>	-	<u>(9,117)</u>	-
Other comprehensive income for the period, net of tax		(3,098)	-	(9,117)	-
Total comprehensive income/(loss) for the period		<u>(51,118)</u>	<u>35,787</u>	<u>(6,839)</u>	<u>95,367</u>
Profit/(loss) attributable to:					
Equity holders of the parent		(46,519)	36,416	880	91,280
Minority interest		<u>(1,501)</u>	<u>(339)</u>	<u>1,398</u>	<u>4,087</u>
		<u>(48,020)</u>	<u>36,077</u>	<u>2,278</u>	<u>95,367</u>
Total comprehensive income/(loss) for the period					
Equity holders of the parent		(49,617)	36,416	(8,237)	91,280
Minority interest		<u>(1,501)</u>	<u>(339)</u>	<u>1,398</u>	<u>4,087</u>
		<u>(51,118)</u>	<u>36,077</u>	<u>(6,839)</u>	<u>95,367</u>
Earnings per share attributable to equity holders of the parent	B13				
- Basic (Sen)		(6.0)	7.2	0.1	18.3
- Diluted (Sen)		(5.8)	6.9	0.1	17.6

The unaudited statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED STATEMENT OF FINANCIAL POSITION OF THE GROUP
AS AT 31 DECEMBER 2010

	As At 31.12.2010 RM'000 (Unaudited)	As At 31.12.2009 RM'000 (Audited)
Assets		
Non-current Assets		
Property, vessel and equipment	662,675	788,815
Intangible assets	193	1,850
Investments in a jointly controlled entity	113,870	45,601
Investments in associated companies	25,412	22,226
	<u>802,150</u>	<u>858,492</u>
Current Assets		
Inventories	18,787	23,363
Trade receivables	149,101	150,689
Other receivables	111,092	115,548
Tax recoverable	4,259	3,183
Cash and bank balances	174,905	203,140
	<u>458,144</u>	<u>495,923</u>
Total Assets	<u>1,260,294</u>	<u>1,354,415</u>
Equity And Liabilities		
Equity Attributable To Equity Holders Of The Parent		
Share capital	195,288	126,747
Share premium	19,945	78,471
Other reserves	(310)	6,785
Retained profits	253,304	264,470
	<u>468,227</u>	<u>476,473</u>
Minority interest	<u>8,626</u>	<u>7,289</u>
Total Equity	<u>476,853</u>	<u>483,762</u>
Non-current Liabilities		
Borrowings	420,392	486,316
Deferred tax liabilities	73,437	77,511
	<u>493,829</u>	<u>563,827</u>
Current Liabilities		
Borrowings	235,854	157,129
Trade payables	32,488	28,926
Other payables	20,481	117,047
Tax payable	789	3,724
	<u>289,612</u>	<u>306,826</u>
Total Liabilities	<u>783,441</u>	<u>870,653</u>
Total Equity And Liabilities	<u>1,260,294</u>	<u>1,354,415</u>
Net Assets Per Share (RM)	<u>0.60</u>	<u>0.94</u>

The unaudited statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	← Attributable to Equity Holders of the Parent →				Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	← Non-Distributable → Share Premium RM'000	Other Reserves RM'000	Distributable Retained Profits RM'000			
As at 1 January 2009	123,211	68,689	7,969	174,997	374,866	5,330	380,196
Profit for the year	-	-	-	91,280	91,280	4,087	95,367
Total comprehensive income for the period							
Transactions with owners							
Issue of ordinary shares:							
Pursuant to ESOS	3,535	6,195	-	-	9,731	-	9,731
Share options granted under ESOS:							
- Recognised in income statement	-	-	2,302	-	2,302	-	2,302
- Exercised during the year	-	3,587	(3,587)	-	-	-	-
Dividend	-	-	-	(1,875)	(1,875)	(2,102)	(3,978)
Accretion in a subsidiary	-	-	-	68	68	(68)	-
Foreign currency translation	-	-	102	-	102	43	145
Net income recognised directly in equity	-	-	102	68	170	(25)	145
As at 31 December 2009	126,747	78,471	6,786	264,470	476,473	7,289	483,762

The unaudited 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.

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP (Continued)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	← Attributable to Equity Holders of the Parent →				Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000			
Profit/(loss) attributable to:							
As at 1 January 2010	126,747	78,471	6,786	264,470	476,473	7,289	483,762
Total comprehensive income for the period	-	-	-	(8,237)	(8,237)	1,398	(6,839)
Transactions with owners							
Issue of ordinary shares:							
Pursuant to ESOS	68,541	(58,526)	-	-	10,015	-	10,015
Foreign currency translation	-	-	(7,096)	(2,929)	(10,025)	(61)	(10,086)
As at 31 December 2010	195,288	19,945	(310)	253,304	468,227	8,626	476,853

The unaudited condensed consolidated statement of changes in equity of the Group should be read in conjunction the accompanying explanatory notes attached to

UNAUDITED STATEMENT OF CASH FLOW OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	Current Year-To-Date Ended 31.12.2010 RM'000 Unaudited	Preceding Year-To-Date Ended 31.12.2009 RM'000 Audited
Net cash generated from operating activities	(76,644)	60,669
Net cash used in investing activities	28,454	(102,129)
Net cash generated from financing activities	<u>4,812</u>	<u>122,842</u>
Net increase in cash and cash equivalents	(43,379)	81,382
Cash and cash equivalents at beginning of financial year	<u>181,642</u>	<u>105,825</u>
Cash and cash equivalents at end of financial period	<u><u>138,264</u></u>	<u><u>187,207</u></u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash on hand and at banks	34,766	183,518
Deposits with licensed banks	140,139	19,622
	<u>174,905</u>	<u>203,140</u>
Bank overdrafts (Note B9)	(1,876)	(1,876)
Amount set aside as sinking fund	(33,572)	(6,000)
Amount pledged for bank guarantee facilities	(1,194)	(8,057)
	<u>138,264</u>	<u>187,207</u>
Total cash and cash equivalent	<u><u>138,264</u></u>	<u><u>187,207</u></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

A1. 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.

A2. 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 2010, except for the adoption of the following new or revised Financial Reporting Standards ("FRS") effective for the financial period beginning 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (as revised in 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 117	Leases
Amendment to FRS 119	Employee Benefits
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 128	Investments in Associates
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendment to FRS 131	Interests in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding

A2. CHANGES IN ACCOUNTING POLICIES (Continued)

At the date of the authorisation of these financial statements, the following new FRSs and Interpretations were issued but not yet effective and have not been applied by the Company:

Effective for financial periods beginning on or after 1 July 2010:

FRS 1	FRS 1 First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Company upon their initial application except for the changes arising from the adoption of FRS 139, IC Interpretation 9 and the amendments thereto.

A3. 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 2009 were not qualified.

A4. SEGMENTAL INFORMATION

The results and other information of the Group as at 31 December 2010 are as follows: -

	Offshore support vessels and services RM'000	Underwater services & OIC RM'000	Others RM'000	Consolidation RM'000	TOTAL RM'000
Revenue					
External	198,347	54,760	867	-	253,974
Intra group	653	-	-	(653)	-
Total	<u>199,000</u>	<u>54,760</u>	<u>867</u>	<u>(653)</u>	<u>253,974</u>
Results					
Profit from operations	5,115	6,687	80	(3,838)	8,045
Finance costs	(26,653)	(418)	(2)	-	(27,073)
Share of profit of associates	3,186	-	-	-	3,186
Share of profits of jointly controlled entities	13,520	-	-	-	13,520
Profit before taxation	<u>(4,833)</u>	<u>6,269</u>	<u>79</u>	<u>(3,838)</u>	<u>(2,322)</u>

A5. 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 except as disclosed in Note A2.

A6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current financial year's results.

A7. 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, only two (2) of the Group's smaller-sized vessels that are 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, thirty six (36) out of the Group's fleet of thirty eight (38) vessels most of which 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.

A8. DIVIDENDS PAID

No dividend was paid in the financial quarter under review.

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

A10. 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 quarter under review, the Company has issued 4,949,161 ordinary shares of RM0.25 each for cash at an average exercise price of RM0.48 per share pursuant to the AMRB Employee Share Options Scheme (ESOS).

A11. CHANGES IN COMPOSITION OF THE GROUP

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

A12. 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 31 December 2010 is as follows:

	RM'000
Approved and contracted for:	
Expenditure on the acquisition of vessels and equipment	179,954
Approved but not contracted for:	
Expenditure on the acquisition of vessels and equipment	-
Total	<u>179,954</u>

A13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 31 December 2010, our contingent liabilities, comprising bank and performance guarantees for contracts entered into with customers, stood at approximately RM9.72 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"), namely Alam Synergy I (L) Inc, Alam Synergy II (L) Inc and Alam Synergy III (L) Inc.

AMSB has provided a corporate guarantee for the banking facilities amounting to RM43.2 million granted by financial institutions to Alam Hidro (M) Sdn Bhd ("AHSB"), a 70%-owned subsidiary of AMSB. Alam Maritim (L) Inc has also provided corporate guarantee on proportionate basis (50%) for the credit facilities totalling RM154.0 million granted by Ambank Group to its jointly controlled entity, Alam Swiber DLB 1 (L) Inc.

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.

A14. SUBSEQUENT EVENTS

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

Issuance of Shares

Subsequent to 31 December 2010, the Company issued 973,325 ordinary shares of RM0.25 each for cash at an average exercise price of RM0.55 per share pursuant to ESOS.

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

B1. PERFORMANCE REVIEW

The Group recorded a turnover of RM254.0 million for the financial year ended 31 December 2010 as compared to RM348.9 million for the preceding financial year, resulting in an adverse variance of 27.2%. This is mainly attributable to lower revenue derived from both Offshore Support Vessels (by 23.4%) , Underwater Services and Offshore Installation & Construction ("OIC") (by 15.7%) segments.

The loss before taxation for the current financial year of RM2.3 million was 102.1% lower in comparison to RM112.5 million recorded for the preceding year, due to lower revenue and contribution margin registered for the current financial year under review and the increase in other operating expenses by RM34.2 million due mainly to provision for doubtful debts.

B2. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group's revenue for the current quarter of RM51.98 million was lower than the preceding quarter's revenue figure of RM67.70 million by 23.2% mainly due to lower revenue registered by both segments in particular the substantial drop in revenue derived from Underwater Services and OIC segment.

The loss for the current financial quarter of RM57.83 million, as compared to profit before taxation of RM12.53 million for the preceding quarter, was mainly due to higher other operating expenses as a result of provision for doubtful debts, lower contribution margin from Underwater Services & OIC segment and lower share of profit of jointly controlled entities.

B3. COMMENTARY ON PROSPECTS

Despite the adverse financial performance for the financial year ended 31 December 2010, the Group is still confident of sustaining its business operations with the expectation that the demand for oil and gas support services in Malaysia will remain healthy in the foreseeable future.

The Board of Directors look forward to an improved financial performance for the current financial year ending 31 December 2011 on the back of global economic recovery and expected increase in domestic and regional oil & gas activities.

The Group will continue to invest in strategic assets that are viable to generate good returns in the long run. The strategy to participate in joint-venture business with reputable and experienced partners is expected to reduce the Group's exposure to operational and financial risks, and to improve its gearing level.

B4. PROFIT FORECAST

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

B5. INCOME TAX EXPENSE

	Current Quarter		Year-To-Date	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Income Taxation				
-Current year	-	79	-	2,993
-(Over)/under-provision in prior year	(1,712)	-	(802)	-
	<u>(1,712)</u>	<u>79</u>	<u>(802)</u>	<u>2,993</u>
Deferred Taxation				
-Current year	(8,099)	376	(3,798)	14,165
-(Over)/under-provision in prior year	-	-	-	-
	<u>(8,099)</u>	<u>376</u>	<u>(3,798)</u>	<u>14,165</u>
	<u>(9,811)</u>	<u>455</u>	<u>(4,600)</u>	<u>17,158</u>

The negative income tax is principally due to unabsorbed capital allowances and losses by certain subsidiary companies.

B6. SALE OF PROPERTIES

There were no sales of properties in the financial quarter under review.

B7. INVESTMENTS IN QUOTED SECURITIES

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

B8. CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the end of the financial year under review.

B9. BORROWINGS

	Total As at 31.12.2010 RM'000
Short Term Borrowings	
Unsecured:	
Revolving credit facilities	45,000
Overdraft	3,666
Secured:	
MTN - Sukuk Ijarah	80,000
CP - Murabahah	96,763
Term loans	2,277
Hire purchase	8,149
	<u>235,854</u>

B9. BORROWINGS (Continued)

	Total As at 31.12.2010 RM'000
Long-term borrowings	
Secured:	
MTN - Sukuk Ijarah	390,000
Term loans	28,295
Hire purchase	2,098
	<u>420,392</u>
Total Borrowings	<u>656,245</u>

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no off balance sheet financial instruments as at 28 February 2010.

B11. 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 February 2011. 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.

B12. DIVIDEND PAYABLE

No dividend has been declared for the financial year ended 31 December 2010.

B13. 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	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Profit attributable to equity holders of the parent	(46,519)	36,416	880	91,280
Weighted average number of ordinary shares in issue	778,922	506,166	633,890	497,447
Basic EPS (Sen)	<u>(6.0)</u>	<u>7.2</u>	<u>0.1</u>	<u>18.3</u>

B13. EARNINGS PER SHARE ("EPS") (Continued)

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	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Profit attributable to equity holders of the parent	(46,519)	36,416	880	91,280
Weighted average number of ordinary shares in issue	778,922	506,166	633,890	497,447
Effects of dilution from ESOS*	20,504	19,091	18,192	21,585
Adjusted weighted average number of ordinary shares in issue and issuable	799,426	525,257	652,081	519,031
Diluted EPS (Sen)	(5.8)	6.9	0.1	17.6

*Note: The estimation of effects of dilution from ESOS was based on the average closing price of RM1.14 for the financial year ended 31 December 2010.

B14. 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 February 2011.

BY ORDER OF THE BOARD

Haniza Binti Sabaran
(MAICSA No. 7032233)
Company Secretary
Kuala Lumpur
28 February 2011