

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Note	FOURTH QUARTER		CUMULATIVE QUARTER	
		Current Quarter Ended 31.12.2013 RM'000	Preceding Quarter Ended 31.12.2012 RM'000	Current Year-To-Date Ended 31.12.2013 RM'000	Preceding Year-To-Date Ended 31.12.2012 RM'000
Revenue	A4	85,945	167,334	432,881	502,390
Cost of sales		<u>(63,239)</u>	<u>(158,309)</u>	<u>(340,378)</u>	<u>(444,420)</u>
Gross profit		22,706	9,025	92,503	57,970
Other income		1,183	2,942	10,996	7,082
Staff costs		(10,493)	(5,550)	(30,978)	(24,722)
Other operating expenses		<u>(13,931)</u>	<u>(8,972)</u>	<u>(28,946)</u>	<u>(18,808)</u>
Profit from operations		(535)	(2,555)	43,575	21,522
Finance costs		(5,820)	(8,097)	(22,891)	(27,076)
Share of results of associates		6,403	5,165	22,570	21,039
Share of results of jointly controlled entities		4,527	22,804	39,769	40,434
Profit before taxation		4,575	17,317	83,023	55,919
Taxation	B5	<u>(829)</u>	<u>1,332</u>	<u>(2,903)</u>	<u>(210)</u>
Net profit for the period		3,746	18,649	80,120	55,709
Other comprehensive income					
Currency translation differences		<u>181</u>	<u>87</u>	<u>645</u>	<u>412</u>
Other comprehensive income for the period, net of tax		181	87	645	412
Total comprehensive income for the period		<u>3,927</u>	<u>18,736</u>	<u>80,765</u>	<u>56,121</u>
Profit/(loss) attributable to:					
Owners of the parent		6,611	19,270	79,967	58,265
Non-controlling interests		<u>(2,865)</u>	<u>(621)</u>	<u>153</u>	<u>(2,556)</u>
		<u>3,746</u>	<u>18,649</u>	<u>80,120</u>	<u>55,709</u>
Total comprehensive income for the period					
Owners of the parent		6,762	19,312	80,706	58,618
Non-controlling interests		<u>(2,836)</u>	<u>(576)</u>	<u>59</u>	<u>(2,497)</u>
		<u>3,927</u>	<u>18,736</u>	<u>80,765</u>	<u>56,121</u>
Earnings per share attributable to	B17				
Owners of the parent					
- Basic (Sen)		0.8	2.0	10.1	3.0
- Diluted (Sen)		0.8	2.0	9.9	3.0

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 2013

	As At 31.12.2013 RM'000	As At 31.12.2012 RM'000
Assets		
Non-current Assets		
Property, vessel and equipment	538,064	543,328
Intangible assets	1,513	1,533
Investments in jointly controlled entities	161,538	121,857
Investments in associates	132,448	116,526
Deferred tax assets	13,150	20,383
Trade receivables	1,183	7,486
	<u>847,896</u>	<u>811,113</u>
Current Assets		
Inventories	3,820	8,239
Trade receivables	304,699	192,374
Other receivables	262,924	155,167
Tax recoverable	3,849	3,034
Cash and bank balances	147,967	129,690
	<u>723,259</u>	<u>488,504</u>
Total Assets	<u>1,571,155</u>	<u>1,299,617</u>
Equity And Liabilities		
Equity Attributable To Owners Of The Parent		
Share capital	200,320	196,802
Share premium	27,703	24,096
Other reserves	2,387	775
Retained profits	381,872	303,902
	<u>612,282</u>	<u>525,575</u>
Non-controlling interests	<u>393</u>	<u>2,405</u>
Total Equity	<u>612,675</u>	<u>527,980</u>
Non-current Liabilities		
Borrowings	B9 382,142	346,482
Deferred tax liabilities	81,964	87,601
	<u>464,106</u>	<u>434,083</u>
Current Liabilities		
Borrowings	B9 181,508	213,829
Trade payables	295,722	67,530
Other payables	16,686	55,728
Tax payable	458	467
	<u>494,374</u>	<u>337,554</u>
Total Liabilities	<u>958,480</u>	<u>771,637</u>
Total Equity And Liabilities	<u>1,571,155</u>	<u>1,299,617</u>
Net Assets Per Share (RM)	<u>0.76</u>	<u>0.67</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 2013

	Attributable to Owners of the Parent				Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000			
As at 1 January 2012	196,802	24,096	422	245,638	466,958	4,902	471,860
Total comprehensive income for the year	-	-	353	58,264	58,617	(2,497)	56,120
As at 31 December 2012	196,802	24,096	775	303,902	525,575	2,405	527,980

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.

(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY OF THE GROUP (Continued)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	← Attributable to Owners of the Parent →				Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000			
As at 1 January 2013	196,802	24,096	775	303,902	525,575	2,405	527,980
Total comprehensive income for the year	-	-	740	79,966	80,706	59	80,765
Transactions with owners							
Issue of ordinary shares	3,518	3,607	-	-	7,125	-	7,125
Dividend	-	-	-	(1,996)	(1,996)	-	(1,996)
Acquisition of non-controlling interest	-	-	872	-	872	(2,071)	(1,199)
As at 31 December 2013	200,320	27,703	2,387	381,872	612,282	393	612,675

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 STATEMENT OF CASH FLOW OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Current Year-To-Date Ended 31.12.2013 RM'000	Preceding Year-To-Date Ended 31.12.2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	83,023	55,919
Adjustment for:		
Interest income	(2,152)	(2,111)
Interest expense	22,891	27,076
Depreciation	38,665	36,951
Impairment loss on trade receivables	44	6,131
Writeback impairment on trade receivables	(298)	(2,199)
Loss on foreign exchange	601	(461)
Amortisation of intangible assets	-	126
Share of results of a jointly controlled entity	(39,769)	(40,434)
Share of results of associates	(22,570)	(21,039)
Gain on disposal of property, vessel and equipment	(5,709)	(2,599)
Operating profit before working capital changes	<u>74,726</u>	<u>57,360</u>
Increase in inventories	4,420	(1,985)
Increase in receivables	(95,708)	13,319
Increase in payables	187,156	31,290
Cash generated from operating activities	<u>170,594</u>	<u>99,984</u>
Taxes paid	(1,294)	(4,090)
Interest paid	(22,891)	(27,075)
Net cash flows from operating activities	<u>146,409</u>	<u>68,819</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	2,152	2,111
Proceeds from disposal of fixed assets	155	-
Purchase of property, vessel and equipment	(33,380)	(27,945)
Proceeds from disposal of property, vessel and equipment	-	750
Investment in jointly controlled entities	-	(2,884)
Net cash flows from investing activities	<u>(31,073)</u>	<u>(27,968)</u>

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

UNAUDITED STATEMENT OF CASH FLOW OF THE GROUP (Continued)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Current Year-To-Date Ended 31.12.2013 RM'000	Preceding Year-To-Date Ended 31.12.2012 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	7,125	-
Proceeds of CP	40,000	-
Proceeds of term loan	3,063	23,656
Proceeds of RC	30,000	15,000
Proceeds of hire purchase	600	-
Repayment of term loans	(5,132)	(7,617)
Repayment of hire purchase	(5,710)	(5,129)
Repayment of CP	(55,012)	(50,000)
Repayment of RC	(20,000)	-
Repayment of MTN	(90,000)	(30,000)
Dividend paid	(1,997)	-
Proceeds from refund of sinking fund	1,000	(20,273)
Marginal deposit placement	(2,871)	(2,657)
Net cash flows in financing activities	<u>(98,934)</u>	<u>(77,020)</u>
Net increase in cash and cash equivalents	16,402	(36,169)
Cash and cash equivalents at beginning of financial year	<u>92,370</u>	<u>128,539</u>
Cash and cash equivalents at end of financial period	<u><u>108,772</u></u>	<u><u>92,370</u></u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash on hand and at banks	109,186	88,587
Deposits with licensed banks	38,781	41,103
	<u>147,967</u>	<u>129,690</u>
Bank overdrafts (Note B9)	(3,214)	(3,210)
Amount set aside as sinking fund	(26,772)	(27,730)
Amount pledged for bank guarantee facilities	(9,209)	(6,338)
Total cash and cash equivalent	<u><u>108,772</u></u>	<u><u>92,412</u></u>

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

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 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 Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Chapter 9.22, part K of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report is in compliance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

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

On 1 January 2013, the Group adopted the following new and amended MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 January 2013.

Description	Effective for annual periods beginning on or after
MFRS 101: Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)	1 July 2012
Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)	1 January 2013
MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)	1 January 2013
MFRS 10: Consolidated Financial Statements	1 January 2013
MFRS 11: Joint Arrangements	1 January 2013
MFRS 12: Disclosure of interests in Other Entities	1 January 2013
MFRS 13: Fair Value Measurement	1 January 2013
MFRS 119: Employee Benefits	1 January 2013
MFRS 127: Separate Financial Statements	1 January 2013
MFRS 128: Investment in Associate and Joint Ventures	1 January 2013
MFRS 127: Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to MFRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013

The adoption of the above MFRS and amendments to MFRS that came into effect on 1 January 2013, as disclosed in the audited consolidated financial statements for the financial year ended 31 December 2012, did not have significant impact on the unaudited condensed financial statements upon the initial application on 1 January 2013.

A2. CHANGES IN ACCOUNTING POLICIES (Continued)

Standards and interpretations issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 132: Offsetting Financial Asset and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
MFRS 9 Financial Instruments	1 January 2015

The Group has not completed its assessment of the financial effects of standards and interpretations issued but not yet effective.

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 2012 were not qualified.

A4. SEGMENTAL INFORMATION

The results and other information of the Group as at 31 Dec 2013 and 31 Dec 2012 are as follows:-

	Offshore support vessels and services	Subsea services & OIC	Others	Consol	TOTAL
As at 31 Dec 2013	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External	292,882	134,207	5,792	-	432,881
Intra group	214,605	-	-	(214,605)	-
Total	<u>507,487</u>	<u>134,207</u>	<u>5,792</u>	<u>(214,605)</u>	<u>432,881</u>
Results					
Profit from operations	48,067	2,159	438	(7,089)	43,575
Finance costs	(21,834)	(930)	(127)	-	(22,891)
Share of profit of associates	22,570	-	-	-	22,570
Share of profits of jointly controlled entities	29,674	10,095	-	-	39,769
Profit before taxation	<u>78,477</u>	<u>11,324</u>	<u>311</u>	<u>(7,089)</u>	<u>83,023</u>
As at 31 Dec 2012					
Revenue					
External	239,330	259,425	3,635	-	502,390
Intra group	11,625	22,731	2,953	(37,309)	-
Total	<u>250,955</u>	<u>282,156</u>	<u>6,588</u>	<u>(37,309)</u>	<u>502,390</u>
Results					
Profit from operations	26,964	(6,197)	1,391	(636)	21,522
Finance costs	(25,994)	(1,027)	(55)	-	(27,076)
Share of profit of associates	21,039	-	-	-	21,039
Share of profits of jointly controlled entities	20,652	19,782	-	-	40,434
Profit before taxation	<u>42,661</u>	<u>12,558</u>	<u>1,336</u>	<u>(636)</u>	<u>55,919</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 period.

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.

Notwithstanding the above, our chartered vessels are made available regardless of the weather condition.

A8. PROFIT BEFORE TAXATION

Included in the profit before taxation are the following items:

	Current Quarter Ended 31.12.2013 RM'000	Preceding Quarter Ended 31.12.2012 RM'000	Current Year-To-Date Ended 31.12.2013 RM'000	Preceding Year-To-Date Ended 31.12.2012 RM'000
Interest income	(751)	(207)	(2,152)	(2,111)
Interest expense	5,820	8,097	22,891	27,076
Depreciation	13,587	9,001	38,665	36,951
Provision for doubtful debt	44	5,980	44	6,131
Writeback impairment on trade receivables	(298)	(2,199)	(298)	(2,199)
Loss/(gain) on foreign exchange	(1,349)	(580)	601	(461)

A9. DIVIDENDS PAID

No dividend was paid in the financial quarter under review.

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

A11. 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 805,362 ordinary shares of RM0.25 each for cash at an average exercise price of RM0.50 per share pursuant to the AMRB Employee Share Options Scheme (ESOS).

A12. CHANGES IN COMPOSITION OF THE GROUP

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

A13. CAPITAL COMMITMENTS

	31.12.2013 RM'000	31.12.2012 RM'000
Approved and contracted for:		
Expenditure on the acquisition of vessels and equipment	-	<u>115,904</u>

A14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 31 December 2013, our contingent liabilities, comprising of bank and performance guarantees for contracts entered into with customers, stood at approximately RM36.58 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.

A15. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current financial period.

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

B1. PERFORMANCE REVIEW

	OSV Segment RM'000	Subsea/ OIC Segment RM'000	Others/ Elimination RM'000	Consolidated Total RM'000
Revenue (Year-to-date 2013)	507,487	134,207	(208,813)	432,881
Revenue (Year-to-date 2012)	<u>250,955</u>	<u>282,156</u>	(30,721)	<u>502,390</u>
Variance (%)	<u>>100.0%</u>	<u>-52.4%</u>		<u>-13.8%</u>

The Group recorded a turnover of RM432.88 million for the financial year ended 31 December 2013 as compared to RM502.39 million for the same period last year, resulting in a deficit variance of 13.8% due to no major contract from Offshore Installation & Construction ("OIC") segment. Revenue from Offshore Support Vessels ("OSV") segment was significantly higher exceeding 100% due to higher revenue derived from own and third party vessels. This is in line with the considerable improvement in the average vessel utilisation rate.

Revenue derived from Subsea Services/OIC segment decreased by 52.4% as compared to last year.

	OSV Segment RM'000	Subsea/ OIC Segment RM'000	Others/ Elimination RM'000	Consolidated Total RM'000
Profit Before Tax -YTD2013	78,477	11,325	(6,779)	83,023
Profit Before Tax -YTD2012	<u>42,661</u>	<u>12,558</u>	700	<u>55,919</u>
Variance (%)	<u>84.0%</u>	<u>-9.8%</u>		<u>48.5%</u>

The profit before taxation for the current financial year of RM83.02 million was significantly higher as compared to profit before taxation of RM55.92 million recorded for the preceding financial year, with a positive variance of 48.5%. The profitability of OSV segment improved by 84.0% primarily due to significant increased in operating margin derived from own vessels and higher share of results of jointly controlled entities, which is in line with higher average utilisation rate of chartered vessels.

Subsea Services/OIC segment registered profit before taxation of RM11.33 million for the financial year ended 31 December 2013 as compared to profit before taxation of RM12.56 million recorded for the same period last year.

B2. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group's revenue for the current quarter of RM85.95 million was lower than the preceding quarter's revenue figure of RM179.89 million with a deficit variance exceeding 100%. This is mainly due to lower revenue derived from Subsea/OIC segment during the current financial quarter under review.

The profit before taxation for the current financial quarter of RM4.57 million was lower than the profit before taxation of RM23.35 million registered for the preceding financial quarter, resulting in an adverse variance of exceeding 100%. The financial performance declined during the current financial quarter was mainly attributable to the court decision between the group against Malaysia tax authority resulting the Group to pay withholding tax approximate of RM7.7 million inclusive penalty.

B3. COMMENTARY ON PROSPECTS

The business outlook for Alam Maritim Group is contributed by the level of energy industry spending by the Oil Companies to increase its oil and natural gas reserves. Based on the current market condition, the domestic oil and gas industry will benefit from the government's explicit and implicit support, given its strategic importance, and remains as the core revenue generator to the nation's economy. As such, the industry is expected to remain robust, involving substantial capital spending by oil majors and thus providing significant cash flows and potential earnings to the Group.

However, concerns regarding the continued slowdown of some European economies, coupled with a weak global economic growth and the threat of rising interest rates remain.

Notwithstanding the above, the Directors will continue to exercise due care in managing and implementing strategies for the Group's business and will ensure that shareholders' values to be enhanced.

B4. PROFIT FORECAST

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

B5. INCOME TAX EXPENSE

	Current Quarter		Year-To-Date	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Income Taxation				
-Current year	286	(232)	648	1,362
-(Over)/under-provision in prior year	<u>(141)</u>	<u>1,384</u>	<u>(141)</u>	<u>1,384</u>
	<u>145</u>	<u>1,152</u>	<u>507</u>	<u>2,746</u>
Deferred Taxation				
-Current year	942	(316)	2,654	(368)
-(Over)/under-provision in prior year	<u>(258)</u>	<u>(2,168)</u>	<u>(258)</u>	<u>(2,168)</u>
	<u>684</u>	<u>(2,484)</u>	<u>2,396</u>	<u>(2,536)</u>
	<u>829</u>	<u>(1,332)</u>	<u>2,903</u>	<u>210</u>

The effective tax rate for the current financial period of 3.61% is lower than the statutory tax rate of 25% principally due to certain income which is exempted from taxation, and unabsorbed 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 period under review.

B9. BORROWINGS

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
Short Term Borrowings		
Unsecured:		
Revolving credit facilities	80,000	70,000
Overdraft	3,211	3,209
Secured:		
MTN - Sukuk Ijarah	40,000	90,000
CP - Murabahah	37,786	32,796
Term loans	15,647	12,617
Hire purchase	4,864	5,207
	<u>181,508</u>	<u>213,829</u>
Long-term borrowings		
Secured:		
MTN - Sukuk Ijarah	230,000	270,000
Term loans	149,689	69,264
Hire purchase	2,453	7,218
	<u>382,142</u>	<u>346,482</u>
Total Borrowings	<u>563,650</u>	<u>560,311</u>

B10. DERIVATIVE FINANCIAL INSTRUMENTS

There were no outstanding derivatives as at the end of reporting period.

B11. FAIR VALUE HIERARCHY

No transfer between any levels of the fair value estimation took place during the current interim period and the comparative period. There were also no changes in the purpose of any financial instrument that subsequently resulted a change in those instruments.

B12. DISCLOSURE OF GAINS/LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 December 2013 and 31 December 2012.

B13. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no off balance sheet financial instruments as at 25 February 2014.

B14. CHANGES IN MATERIAL LITIGATION

The Board of Directors is not aware of any other material commitments, save for those arising from the ordinary course of business and contingent liabilities arising from an arbitration proceeding against Alam Hidro Sdn. Bhd. ("AHSB"), due to trade dispute. The Tribunal's finding was in favour of Hallin whereby AHSB to pay the sum of USD1,300,457.16, plus interest at 1.5% per annum and USD252,337.67 plus interest at 2% per month until payment date. The claim had impacted the profits of AHSB. However, the amount involved has no material impact on the Group's financial performance."

B15. DISCLOSURE OF NATURE OF OUTSTANDING DERIVATIVE

There were no outstanding derivatives as at the end of the reporting period.

B16. 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	
	31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
Profit attributable to equity holders of the parent	6,611	19,270	79,967	58,265
Weighted average number of ordinary shares in issue	801,105	787,209	794,365	787,209
Basic EPS (Sen)	0.8	2.4	10.1	7.4

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	
	31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
Profit attributable to equity holders of the parent	6,611	19,270	79,967	58,265
Weighted average number of ordinary shares in issue	801,105	787,209	794,365	787,209
Effects of dilution from ESOS*	11,240	5,356	14,758	5,356
Adjusted weighted average number of ordinary shares in issue and issuable	812,345	792,565	809,123	792,565
Diluted EPS (Sen)	0.8	2.4	9.9	7.4

*Note: The estimation of effects of dilution from ESOS was based on the average closing price of RM1.25 for the financial year ended 31 December 2013.

B17. RELATED PARTY TRANSACTIONS

Significant related party transactions during the financial period are described below:

	Cumulative quarters period ended 31.12.2013 RM'000
<u>Jointly controlled entities</u>	
Charter hire vessels	132,285
Vessel management fees	6,462
<u>Associates</u>	
Charter hire vessels	161,473
Vessel management fees	<u>6,660</u>

B18. REALISED AND UNREALISED PROFITS

	As At 31.12.2013 RM'000
Total retained profits of the Company and its subsidiaries	
- realised	515,385
- unrealised	<u>(249,275)</u>
	266,110
Total share of retained profits from associates:	
- realised	57,780
- unrealised	(87)
Total share of retained profits from jointly controlled entities:	
- realised	102,570
- unrealised	<u>13,080</u>
	439,453
Less: consolidation adjustments	<u>(57,581)</u>
Retained profits as per financial statements	<u>381,872</u>

B19. 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 25 February 2014.

BY ORDER OF THE BOARD

Haniza Binti Sabaran
(MAICSA No. 7032233)
Company Secretary
Kuala Lumpur
25 February 2014