

PETRA ENERGY BERHAD (Company No. 718388-H)
(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011**

THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2011 RM'000	Preceding Year Corresponding Quarter 30/06/2010 RM'000	Six Months to 30/06/2011 RM'000	Six Months to 30/06/2010 RM'000
Revenue	141,780	172,093	274,104	324,960
Cost of sales	(114,858)	(155,046)	(225,296)	(281,614)
Gross profit	26,922	17,047	48,808	43,346
Other income	1,374	1,337	2,960	1,713
Operating expenses	(19,465)	(15,263)	(33,958)	(26,817)
Finance costs	(2,467)	(3,605)	(4,944)	(6,750)
Profit/(loss) before taxation	6,364	(484)	12,866	11,492
Income tax expense	(2,116)	(1,950)	(3,928)	(5,631)
Profit/(loss) net of tax, represent total comprehensive income for the period	4,248	(2,434)	8,938	5,861
Attributable to:				
Owners of the Parent	4,364	(2,327)	9,124	5,822
Minority interests	(116)	(107)	(186)	39
	4,248	(2,434)	8,938	5,861
Earnings/(loss) per share of RM0.50 each (sen)				
- Basic /diluted	2.24	(1.19)	4.68	2.99

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to this report)

PETRA ENERGY BERHAD (Company No. 718388-H)
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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2011 RM'000	Preceding Year Corresponding Quarter 30/06/2010 RM'000	Six Months to 30/06/2011 RM'000	Six Months to 30/06/2010 RM'000
Profit/(loss) for the period	4,248	(2,434)	8,938	5,861
Other comprehensive income/(loss)	-	-	-	-
Total Comprehensive Income/(loss) for the period	4,248	(2,434)	8,938	5,861
Total comprehensive income/(loss) attributable to:				
Owners of the Parent	4,364	(2,327)	9,124	5,822
Minority interests	(116)	(107)	(186)	39
	4,248	(2,434)	8,938	5,861

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to this report)

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited	Audited
	As at end	As at preceding
	of current	financial
	quarter	year ended
	30/06/2011	31/12/2010
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	343,904	353,141
Deferred tax assets	7,303	1,084
	<u>351,207</u>	<u>354,225</u>
Current assets		
Inventories	12,125	10,600
Trade and other receivables	190,519	191,542
Amount due from customers	82,824	82,119
Tax recoverable	9,575	7,614
Fixed deposits with licensed banks	43,670	44,047
Cash and bank balances	17,559	19,659
	<u>356,272</u>	<u>355,581</u>
Total Assets	<u>707,479</u>	<u>709,806</u>
Equity and Liabilities		
Equity attributable to owners of the Parent		
Share capital	97,500	97,500
Reserves	217,857	208,733
	<u>315,357</u>	<u>306,233</u>
Minority interest	594	780
Total equity	<u>315,951</u>	<u>307,013</u>
Non-current liabilities		
Long term borrowings	81,942	108,518
Deferred taxation	35,359	28,745
	<u>117,301</u>	<u>137,263</u>
Current liabilities		
Trade and other payables	173,515	165,916
Amount due to customers	2,491	3,153
Borrowings	95,239	95,608
Provision for taxation	2,982	853
	<u>274,227</u>	<u>265,530</u>
Total liabilities	<u>391,528</u>	<u>402,793</u>
Total equity and liabilities	<u>707,479</u>	<u>709,806</u>
Net assets per share of RM0.50 each (RM)	<u>1.62</u>	<u>1.57</u>

(The condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to this report)

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Unaudited six months to 30/06/2011 RM'000	Unaudited six months to 30/06/2010 RM'000
Cash flow from operating activities		
Profit before taxation	12,866	11,492
Adjustments for:		
Amortisation	-	64
Depreciation	11,957	12,745
(Doubtful debts recovered)/doubtful debts	(81)	82
(Gain)/loss on disposal of property, plant and equipment	(33)	18
Impairment of intangible assets	-	1,428
Interest expense	4,350	6,750
Interest income	(777)	(315)
Inventories written off	-	622
Retirement benefits	-	(101)
Operating cash flows before changes in working capital	28,282	32,785
Changes in working capital		
Increase in inventories	(1,525)	(5,594)
Decrease/(increase) in receivables	399	(27,957)
Increase/(decrease) in payables	6,937	(25,588)
Net cash generated from/(used) in operations	34,093	(26,354)
Tax paid	(3,365)	(5,162)
Net cash generated from/(used) in operating activities	<u>30,728</u>	<u>(31,516)</u>
Cash flow from investing activities		
Investment in jointly controlled entity	-	2,824
Purchase of property, plant and equipment	(2,779)	(7,254)
Proceeds from disposal of property, plant and equipment	92	63
Interest income received	777	315
Net cash used in investing activities	<u>(1,910)</u>	<u>(4,052)</u>
Cash flow from financing activities		
Drawdown of revolving credit	-	2,000
Drawdown of term loan	-	38,152
Repayment of hire purchase loan	(46)	(115)
Repayment of term loan	(26,899)	(7,750)
Repayment of revolving credit	-	(4,650)
Interest paid	(4,350)	(6,750)
Net cash used in financing activities	<u>(31,295)</u>	<u>(19,265)</u>
Net change in cash and cash equivalents	(2,477)	(54,833)
Cash & cash equivalents at beginning of period	63,706	66,425
Cash & cash equivalents at end of period	<u>61,229</u>	<u>11,592</u>
Cash and cash equivalents		
Cash in hand and at banks	17,559	17,427
Fixed deposits with licensed banks	43,670	34,595
	61,229	52,022
Less: Fixed deposits pledged as security	(278)	(278)
	<u>60,951</u>	<u>51,744</u>

(The Condensed Consolidated Statement Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to this report)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
 SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011**

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	← Attributable to Equity Holders of the Company →				Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Merger Reserve RM'000	Retained Profits RM'000			
Financial Period Ended 30 June 2011 (Unaudited)							
As at 1 January 2011	97,500	62,062	(31,000)	177,671	306,233	780	307,013
Total comprehensive income for the period	-	-	-	9,124	9,124	(186)	8,938
Balance as at 30 June 2011	97,500	62,062	(31,000)	186,795	315,357	594	315,951
Financial Period Ended 30 June 2010 (Unaudited)							
As at 31 December 2009	97,500	62,062	(31,000)	175,400	303,961	684	304,645
Effect arising from adoption of FRS 139	-	-	-	1,636	1,637	-	1,637
As at 1 January 2010, as restated	97,500	62,062	(31,000)	177,036	305,598	684	306,282
Total comprehensive income	-	-	-	5,822	5,822	39	5,861
Dividend for the year ended 31 December 2009	-	-	-	(1,950)	(1,950)	-	(1,950)
Balance as at 30 June 2010	97,500	62,062	(31,000)	180,908	309,470	723	310,193

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to this report)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011**

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with Financial Reporting Standards (øFRSö) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (øMASBö) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2010.

2. Changes in Accounting Policies

The Group and the Company have adopted the new and revised FRS, Amendments to FRS and IC Interpretations which are mandatory for financial periods beginning on or after 1 January 2011. The adoption of these standards and interpretations did not give rise to any significant effects on the financial statements of the Group and the Company in the period of initial application.

3. Qualification of Financial Statements

The preceding annual financial statements of the Group were not subject to any qualification.

4. Seasonal or Cyclical Factors

Seasonal and cyclical factors do not have any material impact on the Group's business operations.

5. Unusual and Extraordinary Items

There are no unusual and extraordinary items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year to-date.

6. Material Changes in Estimates

There are no material changes in the estimates of amounts reported in the current quarter and financial year to-date.

7. Issuance and Repayment of Debts and Equity Securities

There have been no cancellation, repurchase, resale and repayment of debts and equity securities in the current quarter and financial year to-date.

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8. Dividends Paid

No dividend was paid in respect of the current financial year to-date.

9. Segmental Information

Business Segment – Quarter

Current Quarter Ended 30 June 2011	Integrated Brown Field Maintenance and Engineering Services RM'000	Onshore Civil Engineering Services RM'000	Marine Offshore Support Services RM'000	Design, Fabrication, Supply and Installation Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue							
External revenue	95,468	6,221	27,402	12,689	-	-	141,780
Inter-segment revenue	25,491	-	-	1,254	840	(27,585)	-
	120,959	6,221	27,402	13,943	840	(27,585)	141,780
Results							
Segment results	15,447	104	194	(3,072)	(2,405)	(1,437)	8,831
Finance cost	(2,255)	(104)	(12)	(12)	-	(84)	(2,467)
Profit /(loss) before taxation	13,192	-	182	(3,084)	(2,405)	(1,521)	6,364
Corresponding Quarter Ended 30 June 2010							
Revenue							
External revenue	119,219	11,646	25,591	15,637	-	-	172,093
Inter-segment revenue	27,668	-	-	-	840	(28,508)	-
	146,887	11,646	25,591	15,637	840	(28,508)	172,093
Results							
Segment results	6,657	(2,556)	1,756	(818)	(91)	(1,827)	3,121
Finance cost	(3,585)	-	-	(19)	(858)	857	(3,605)
Profit/(loss) before taxation	3,072	(2,556)	1,756	(837)	(949)	(970)	(484)

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011**

9. Segmental Information (cont'd.)

Business Segment – Year-to-date

Current Year-to-date Ended 30 June 2011	Integrated Brown Field Maintenance and Engineering Services RM'000	Onshore Civil Engineering Services RM'000	Marine Offshore Support Services RM'000	Design, Fabrication, Supply and Installation Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue							
External revenue	190,534	8,202	54,342	21,026	-	-	274,104
Inter-segment revenue	44,145	-	-	5,011	1,680	(50,836)	-
	<u>234,679</u>	<u>8,202</u>	<u>54,342</u>	<u>26,037</u>	<u>1,680</u>	<u>(50,836)</u>	<u>274,104</u>
Results							
Segment results	23,800	180	1,824	(3,563)	(3,834)	(597)	17,810
Finance cost	(4,638)	(180)	(12)	(30)	-	(84)	(4,944)
Profit/(loss) before taxation	<u>19,162</u>	<u>-</u>	<u>1,812</u>	<u>(3,593)</u>	<u>(3,834)</u>	<u>(681)</u>	<u>12,866</u>

Corresponding Year-to-date Ended 30 June 2010	Integrated Brown Field Maintenance and Engineering Services RM'000	Onshore Civil Engineering Services RM'000	Marine Offshore Support Services RM'000	Design, Fabrication, Supply and Installation Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue							
External revenue	233,768	11,646	52,123	27,423	-	-	324,960
Inter-segment revenue	56,678	-	-	-	1,680	(58,358)	-
	<u>290,446</u>	<u>11,646</u>	<u>52,123</u>	<u>27,423</u>	<u>1,680</u>	<u>(58,358)</u>	<u>324,960</u>
Results							
Segment results	21,537	(2,556)	4,075	(2,984)	914	(2,744)	18,242
Finance cost	(6,719)	-	-	(34)	(1,778)	1,781	(6,750)
Profit/(loss) before taxation	<u>14,818</u>	<u>(2,556)</u>	<u>4,075</u>	<u>(3,018)</u>	<u>(864)</u>	<u>(963)</u>	<u>11,492</u>

10. Valuation of Property, Plant and Equipment

There is no valuation of property, plant and equipment during the current quarter and financial year to-date.

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11. Material Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the end of the interim period reported which have not been reflected in the financial statements.

12. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 30 June 2011 including business combination, acquisition or disposal of subsidiary and long-term investment, restructuring and discontinuing operation.

13. Changes in Contingent Liabilities and Contingent Assets

As at 30 June 2011, the Company has given corporate guarantees amounting to approximately RM348.4 million to licensed financial institutions for facilities granted to subsidiary companies. Arising from this, the Company is contingently liable for the amount utilized by its subsidiary companies of approximately RM73.3 million. As at the said date, the amount of performance guarantees extended to third parties is approximately RM63.37 million.

14. Significant Related Party Transactions

a. Related Party Transactions

	Current Quarter Ended 30 June 2011 RM'000	Corresponding Quarter Ended 30 June 2010 RM'000
Charter hire fee paid to related companies of a corporate shareholder	25,269	20,449

The Directors of the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

b. Compensation of key management personnel

The remuneration of Directors and other members of key management are as follows:

	Current Quarter Ended 30 June 2011 RM'000	Corresponding Quarter Ended 30 June 2010 RM'000
Directors and other members of key management	534	496

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

15. Review of Performance

For the current quarter, the Group recorded a turnover of RM141.8 million, decreased by 17.6% compared with RM172.1 million reported in the preceding year corresponding period. The decrease in turnover for the current quarter is mainly due to lower business activities of the Integrated Brown Field Maintenance, Onshore Civil Engineering Services and Design, Fabrication, Supply and Installation Services sectors.

However, the Group registered a profit before taxation of RM6.4 million in the current quarter from a loss of RM0.5 million in the preceding year corresponding quarter. The improved result is mainly due higher contribution from the Integrated Brown Field Maintenance and Onshore Civil Engineering Services sectors. In addition, there were provisions made amounting to RM13.73 million in the preceding year corresponding quarter.

16. Comparison with Immediate Preceding Quarter

The Group's turnover in the current quarter increased by 7.1% to RM141.8 million from RM132.3 million reported in the preceding quarter mainly due to the increase in the business activities of the Onshore Civil Engineering Services and Design, Fabrication, Supply and Installation Services sectors.

The Group registered a slight reduction in profit before taxation from RM6.5 million in the preceding quarter to RM6.4 million in the current quarter. Despite higher losses incurred by Design, Fabrication, Supply and Installation Services sector, the Group profit margin remains consistent mainly due to higher margin contribution from the Integrated Brown Field Maintenance and Engineering Services sector.

17. Prospects

The prospects for the Group in the oil & gas industry are bright. Given the robust growth of the industry, which is attributed to the Government's Economic Transformation Programme (ETP) and PETRONAS's planned capex of RM300 billion in developing the offshore fields over the next five years, Petra Energy Berhad, an integrated oil & gas services provider, is expected to benefit in the medium to long term by the government's programme of enhanced oil recovery and the rejuvenation of marginal oilfields through the Risk Service Contract (RSC).

Going forward the Group is optimistic of leveraging on its core competencies, in areas of brown field work, including offshore marine and fabrication services, to secure complex, integrated brown field contracts in the coming periods.

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18. Profit Forecast

No profit forecast or profit guarantee has been issued by the Group.

19. Taxation

	Current Quarter Ended 30 June 2011 RM'000	Corresponding Quarter Ended 30 June 2010 RM'000	Current Year-to-date Ended 30 June 2011 RM'000	Corresponding Year-to-date Ended 30 June 2010 RM'000
Current tax charge	2,850	85	3,533	3,022
Deferred taxation	(734)	1,865	395	2,609
Total	<u>2,116</u>	<u>1,950</u>	<u>3,928</u>	<u>5,631</u>

The effective tax rate of the Group for the current quarter and financial year-to-date is higher than the statutory tax rate principally due to deferred tax assets not recognized on tax losses and expenses that were not deductible for tax purposes.

20. Unquoted Investment and Properties

There were no purchases or disposal of unquoted investment and properties for the current quarter and financial year to-date.

21. Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter and financial year to date and the Group did not hold any quoted securities as at the end of financial year to-date.

22. Corporate Proposals

On 13 June 2011, the Company announced a proposed private placement of up to 19,500,000 new ordinary shares of RM0.50 each in the Company, representing up to 10% of the existing issued and paid-up share capital of the Company (‘Proposed Private Placement’).

Bursa Malaysia Securities Berhad had, through its letter dated 7 July 2011 approved the listing of and quotation for up to 19,500,000 new ordinary shares of RM0.50 each in the Company to be issued pursuant to the Proposed Private Placement.

Save as disclosed above, there were no corporate proposals announced but not completed as at the date of this announcement.

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23. Borrowings

a. Total Group's borrowings as at 30 June 2011 were as follows:

	As at 30 June 2011 RM'000
Secured borrowings	
Short term	95,239
Long term	81,942
Total	<u>177,181</u>

The above borrowings are denominated in Ringgit Malaysia.

24. Derivative Financial Instruments

There were no derivative financial instruments for the current financial quarter ended 30 June 2011.

25. Gains and Losses Arising from Fair Value Changes of Financial Liabilities

There were no financial liabilities measured at fair value through profit or loss for the current financial quarter ended 30 June 2011. All financial liabilities are measured at the amortised cost effective interest method. Hence, no gains or losses were recognised for changes in the fair values of these liabilities.

26. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off-balance sheet risk as at the date of the announcement.

27. Changes in Material Litigation

The Group is not engaged in any material litigation as at 30 June 2011 except for the following:

- a. Petra Fabricators Sdn Bhd (PFBSB), a wholly-owned subsidiary of PEB, received a Writ of Summons and Statement of Claims dated 4 September 2003 for a total sum of RM1,071,899 from Kencana Bestwide (KBW) for goods and services rendered.

PFBSB files a Defence and Counter-Claim dated 1 September 2003 for a sum of approximately RM2 million being the rectification cost incurred against KBW. On January 2010, the Judge decided to allow the Plaintiff's claim and dismissed PFBSB's counter claim with costs. However, an appeal has been filed to the Court of Appeal against the whole of the decision of the High Court Judge on 19 February 2010.

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The hearing for a stay execution of the High Court Judge's decision on 29 January 2010 filed by PFSB with the High Court of Malaya at Kuala Lumpur was fixed on 2 September 2010 where the High Court has disallowed PFSB's application for stay of execution. The PFSB's record of appeal to the Court of Appeal has been filed on 8 September 2010 and the Company has been advised by its solicitors that the Solicitors is constantly sending reminder to the Court of Appeal to get a hearing date for the appeal.

Based on legal advice, the Board of Directors is of the opinion that the Group has a reasonably good prospect to avail in the proceedings.

- b. Petra Boilers Sdn Bhd (PBSB) a wholly-owned subsidiary of PFSB, which in turn is a wholly-owned subsidiary of PEB has received a Request of Arbitration made on 1 December 2009 by United Palm Oil Industry Public Co. Ltd. (UPOIPC), a company incorporated under the laws of Thailand. UPOIPC claimed that PBSB supplied a boiler which failed and is out of service, and that PBSB has failed to perform contractually obliged works pertaining the boiler causing UPOIPC significant loss. UPOIPC is claiming damages and penalty totalling USD11,258,335 together with interest, costs and such further or other relief as may be amended or added.

On 12 February 2010, PBSB filed its Answer denying UPOIPC's claim and counter-claimed that UPOIPC failed to honour its obligation to pay the balance of the contract sum for the supply of the boiler and penalty on the contract sum totalling USD628,191 together with interests, costs and such further or other relief as may be deemed fit to be awarded.

On March 5, The International Chamber of Commerce (ICC) International Court of Arbitration at its session on May 4 2010, fixed the advance to cover the costs of Arbitration at USD400,000 subject to later readjustment. PBSB has been invited to pay USD200,000 whilst UPOIPC has been invited to bear the balance USD200,000 of said cost advancement to ICC.

On 25 August 2010, UPOIPC has sought to amend their Points Of Claim and to increase their for claim damages and penalty from the total amount approximating USD11,258,334.55 to an amount totalling approximately USD21,582,481.10 (converted from Thai Baht 712,780,664.33) together with additional continuing loss of profits, interest, costs and such further or other relief as may be amended or added. PBSB had registered its objection to UPOIPC's application to the Tribunal. On 3 September 2010, the arbitration tribunal informed that it is allowing UPOIPC's application to amend their Request for Arbitration subject to the following terms:-

- (a) UPOIPC to give discovery, by 10 September 2010 of the categories on certain documents
- (b) PBSB be at liberty to serve further witness statements in chief by 8 October 2010
- (c) UPOIPC bears all PBSB's costs arising from the amendment (including costs thrown away) such costs to be agreed or failing which to be fixed by the Tribunal
- (d) The date of service of the parties'reply witness statement will be now 5 November 2010

The date for the arbitration hearing is fixed from 6 December to 9 December 2010.

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On 26 October 2010, the Tribunal has vacated the hearing dates in December 2010 and set fresh hearing dates in two tranches:

- (a) 1st tranche ó 21 May 2011 to 28 May 2011; and
- (b) 2nd tranche ó 2 July 2011 to 8 July 2011.

The hearings for the arbitration which were scheduled as above have been concluded. The Tribunal has directed parties to file their respective written submissions and fixed the matter for oral submissions on 20 October 2011 and 21st October 2011.

The Board of Directors has been advised by the advocate and solicitor that the UPOIPCø claim is grossly inflated, and outside the scope of the contract, which itself specifies compensation for any breach of contract.

28. Dividends

There is no dividend proposed in respect of the current quarter ended 30 June 2011.

29. Earnings Per Share

Weighted Average	Current Quarter Ended 30 June 2011 RM'000	Corresponding Quarter Ended 30 June 2010 RM'000	Current Year-to-date Ended 30 June 2011 RM'000	Corresponding Year-to-date Ended 30 June 2010 RM'000
Net profit/(loss) attributable to owners of the Parent	4,364	(2,327)	9,124	5,822
Number of ordinary shares in issue at the beginning of the period	195,000	195,000	195,000	195,000
Weighted average number of ordinary shares in issue	195,000	195,000	195,000	195,000
Basic/diluted earnings/(loss) per ordinary share of RM0.50 each (sen)	2.24	(1.19)	4.68	2.99

PETRA ENERGY BERHAD (Company No: 718388-H)
(Incorporated in Malaysia)

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30. Disclosure of Realised and Unrealised Profits

On 25th March 2010, Bursa Securities issued a directive to all listed issuers pursuant to paragraphs 2.07 and 2.23 of the Bursa Securities Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20th December 2010, Malaysian Institute of Accountants (öMIAö) further issued guidance on the disclosure and the format required.

The breakdown of the retained profits of the Group as at 30 June 2011, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 30.6.2011 RM'000	As at 31.12.2010 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	217,756	207,725
- Unrealised	<u>(26,313)</u>	<u>(26,816)</u>
	191,443	180,909
Less: Consolidated adjustments	<u>(4,648)</u>	<u>(3,238)</u>
Total retained earnings as per condensed consolidated statement of changes in equity	<u>186,795</u>	<u>177,671</u>

31. Authorisation For Issue

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 11 August 2011.