

UMW OIL & GAS CORPORATION BERHAD

(COMPANY NO : 878786-H)
(INCORPORATED IN MALAYSIA)

Condensed Consolidated Statement of Comprehensive Income for the First Quarter Ended 31st March 2015

(The Figures Have Not Been Audited)

	Current Quarter Ended 31/03/2015 RM'000	Comparative Quarter Ended 31/03/2014 RM'000	3 Months Cumulative To Date 31/03/2015 RM'000	Comparative 3 Months Cumulative To Date 31/03/2014 RM'000
<u>Continuing Operations</u>				
Revenue	312,496	195,573	312,496	195,573
Operating Expenses	(267,363)	(143,353)	(267,363)	(143,353)
Other Operating Income	1,632	3,286	1,632	3,286
Profit From Operations	46,765	55,506	46,765	55,506
Finance Costs	(11,799)	(4,470)	(11,799)	(4,470)
Share Of Profits Of Associated Company	130	112	130	112
Investment Income	7,365	7,155	7,365	7,155
Profit Before Tax From Continuing Operations	42,461	58,303	42,461	58,303
Taxation	(9,809)	(4,145)	(9,809)	(4,145)
Profit From Continuing Operations, Net Of Tax	32,652	54,158	32,652	54,158
<u>Other Comprehensive Income:</u>				
Translation Of Foreign Operations	130,495	(8,025)	130,495	(8,025)
Other Comprehensive Income, Net Of Tax	130,495	(8,025)	130,495	(8,025)
Total Comprehensive Income For The Period	163,147	46,133	163,147	46,133
<u>Profit For The Period Attributable To:</u>				
Equity Holders Of The Company	32,150	53,684	32,150	53,684
Non-controlling Interests	502	474	502	474
	32,652	54,158	32,652	54,158
<u>Total Comprehensive Income Attributable To:</u>				
Equity Holders Of The Company	162,332	45,891	162,332	45,891
Non-controlling Interests	815	242	815	242
	163,147	46,133	163,147	46,133
EPS Attributable To Equity Holders Of The Company:				
Basic (Sen)	1.49	2.48	1.49	2.48

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements)

UMW OIL & GAS CORPORATION BERHAD

Condensed Consolidated Statement of Financial Position

	(Unaudited) As At 31/03/2015 RM'000	(Audited) As At 31/12/2014 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	4,908,265	4,021,981
Land Use Rights	2,415	2,291
Intangible Assets	11,291	11,291
Investments In Associate	2,080	1,950
Deferred Tax Assets	929	880
	<u>4,924,980</u>	<u>4,038,393</u>
Current Assets		
Inventories	134,871	116,584
Trade Receivables	384,076	364,786
Other Receivables	60,642	54,636
Due From Related Companies	3,614	3,519
Deposits, Cash & Bank Balances	1,160,326	1,178,046
	<u>1,743,529</u>	<u>1,717,571</u>
	<u>6,668,509</u>	<u>5,755,964</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity Attributable To The Equity Holders Of The Company		
Share Capital	1,081,000	1,081,000
Share Premium	1,372,819	1,372,819
Other Reserves	362,662	232,480
Retained Profits	545,677	513,527
	<u>3,362,158</u>	<u>3,199,826</u>
Non-controlling Interests	8,815	8,000
TOTAL EQUITY	<u>3,370,973</u>	<u>3,207,826</u>
Non-Current Liabilities		
Deferred Tax Liabilities	3,710	3,702
Long Term Borrowings	1,023,297	1,010,978
	<u>1,027,007</u>	<u>1,014,680</u>
Current Liabilities		
Taxation	1,212	1,480
Short Term Borrowings	1,983,751	1,243,871
Trade Payables	186,848	181,076
Other Payables	95,240	82,007
Due To Related Companies	2,808	2,863
Derivative Liabilities	670	541
Dividend Payable	-	21,620
	<u>2,270,529</u>	<u>1,533,458</u>
	<u>3,297,536</u>	<u>2,548,138</u>
TOTAL LIABILITIES	<u>3,297,536</u>	<u>2,548,138</u>
TOTAL EQUITY AND LIABILITIES	<u>6,668,509</u>	<u>5,755,964</u>
Net Assets per share (RM)	1.5551	1.4800

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements)

UMW OIL & GAS CORPORATION BERHAD

Condensed Consolidated Statement of Changes in Equity for the Period Ended 31st March 2015

	← Non - Distributable					→ Distributable				
	Share Capital RM'000	Share Premium RM'000	Share Options Reserve RM'000	Capital Reserve RM'000	Foreign Currency Translation Reserve RM'000	Gain On Derecognition of Intercompany Financial Liabilities RM'000	Retained Profits RM'000	Total RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
3 MONTHS ENDED 31ST MARCH 2015										
At 1st January 2015	1,081,000	1,372,819	3,243	698	150,394	78,145	513,527	3,199,826	8,000	3,207,826
Total Comprehensive Income	-	-	-	-	130,182	-	32,150	162,332	815	163,147
At 31st March 2015	1,081,000	1,372,819	3,243	698	280,576	78,145	545,677	3,362,158	8,815	3,370,973

Condensed Consolidated Statement of Changes in Equity for the Period Ended 31st March 2014

	← Non - Distributable					→ Distributable				
	Share Capital RM'000	Share Premium RM'000	Share Options Reserve RM'000	Capital Reserve RM'000	Foreign Currency Translation Reserve RM'000	Gain On Derecognition of Intercompany Financial Liabilities RM'000	Retained Profits RM'000	Total RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
3 MONTHS ENDED 31ST MARCH 2014										
At 1st January 2014	1,081,000	1,372,819	3,243	698	14,079	78,145	283,151	2,833,135	5,973	2,839,108
Total Comprehensive Income	-	-	-	-	(7,793)	-	53,684	45,891	242	46,133
At 31st March 2014	1,081,000	1,372,819	3,243	698	6,286	78,145	336,835	2,879,026	6,215	2,885,241

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements)

UMW OIL & GAS CORPORATION BERHAD

Condensed Consolidated Statement of Cash Flows for the Period Ended 31st March 2015

	3 Months Ended 31/03/2015 RM'000	3 Months Ended 31/03/2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	42,461	58,303
Adjustments For:		
Depreciation, Impairment & Amortisation	48,981	26,209
Net Gain On Disposal Of Property, Plant & Equipment	-	(604)
Net Inventories Written-Down	-	303
Interest Expense	11,799	4,470
Share Of Results Of Associate	(130)	(112)
Net Fair Value Loss / (Gain) On Derivatives	91	(60)
Net Unrealised Foreign Exchange Losses	1,574	1,298
Net Fair Value Gain On Mutual Funds	-	(449)
Interest Income	(7,365)	(7,155)
Property, Plant & Equipment Written Off	6	55
Operating Profit Before Working Capital Changes	97,417	82,258
(Increase) / Decrease In Receivables	(23,152)	28,963
Increase In Inventories	(18,287)	(5,778)
Net Changes In Related Companies Balances	(150)	(2,123)
Increase / (Decrease) In Payables	16,831	(17,307)
Cash Generated From Operating Activities	72,659	86,013
Interest Paid	(11,198)	(4,382)
Taxes Paid	(10,639)	(6,029)
Net Cash Generated From Operating Activities	50,822	75,602
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase Of Property, Plant & Equipment	(819,031)	(395,912)
Proceeds From Disposal Of Property, Plant & Equipment	-	616
Interest Received	5,742	7,155
Investment In Mutual Funds	-	(5,334)
Proceeds From Disposal Of Mutual Funds	-	445,529
Net Cash (Used In) / Generated From Investing Activities	(813,289)	52,054
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment Of Long Term Borrowings	(35,094)	(31,446)
Net Movement In Short Term Borrowings	787,293	337,995
Dividend Paid	(21,620)	-
Net Cash Generated From Financing Activities	730,579	306,549
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(31,888)	434,205
CASH AND CASH EQUIVALENTS AS AT 1ST JANUARY	1,178,046	174,948
EFFECTS OF EXCHANGE RATE CHANGES	14,168	(527)
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH	1,160,326	608,626

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements)

Explanatory Notes

NOTE 1 – Significant accounting policies

Basis of preparation

The interim financial statements have been prepared in accordance with the requirements of IAS 34, Interim Financial Reporting and MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and methods of computation in the interim financial statements are consistent with those in the annual audited financial statements for the year ended 31st December 2014.

Revised Malaysian Financial Reporting Standards (MFRS)

The following revised MFRS have been adopted by the Group with effect from 1st January 2015:

- (a) Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions
- (b) Annual Improvements to MFRSs 2010 – 2012 Cycle
- (c) Annual Improvements to MFRSs 2011 – 2013 Cycle

Adoption of the above revised standards does not have a material impact on the financial statements of the Group for the financial year ending 31st December 2015.

NOTE 2 – Seasonal or Cyclical Factors

The Group is principally engaged in:

- (a) the provision of drilling services for exploration, development and production wells and workover services to the upstream sector of the oil and gas industry;
- (b) the provision of threading, inspection and repair services for Oil Country Tubular Goods in Malaysia and overseas, with a focus on premium connections used in high-end and complex wells; and
- (c) acting as agent in Malaysia for international companies providing specialised drilling equipment and services.

The Group's products and services are generally dependent on the level of activity of, and the corresponding capital spending by oil and gas companies, which may be affected by volatile oil and natural gas prices and cyclical in the offshore drilling and oilfield services industries.

NOTE 3 – Exceptional Items

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31st March 2015.

NOTE 4 – Accounting Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the quarter ended 31st March 2015.

NOTE 5 – Issuance or Repayment of Debt and Equity Securities

There were no issuances and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the quarter ended 31st March 2015.

NOTE 6 – Dividends Paid

An interim single-tier dividend of 2% or 1 sen (2013 – Nil) per share of RM0.50 each, amounting to a net dividend of RM21.62 million (2013 – Nil) was paid on 15th January 2015.

NOTE 7 – Segmental Reporting

Business Segment	Three Months Ended 31st March 2015		
	Revenue RM'000	Profit Before Tax RM'000	Profit Attributable to Owners of the Company RM'000
Drilling Services	300,045	38,562	28,966
Oilfield Services	12,451	2,663	1,960
Others	-	1,236	1,224
Consolidated Total	312,496	42,461	32,150

The increase in total assets for the current quarter ended 31st March 2015 was predominantly due to capital expenditures incurred in relation to the acquisition of UMW NAGA 7 premium jack-up offshore drilling rig. Other than the above, there has been no material increase in total assets as compared to the last annual financial statements.

NOTE 8 – Subsequent Material Events

In the opinion of the Directors, there has been no material event or transaction during the period from 31st March 2015 to the date of this announcement, which affects substantially the results of the Group for the quarter ended 31st March 2015.

NOTE 9 – Changes in Composition / Group

There were no changes in the composition of the Group during the quarter ended 31st March 2015.

NOTE 10 – Commitments for the purchase of Property, Plant and Equipment

These are in respect of capital commitments:

	RM'000	RM'000
Approved and contracted for:		
Land and buildings	150	
Equipment, plant and machinery	733,696	
Others	1,109	734,955
	<hr/>	
Approved but not contracted for:		
Land and buildings	1,350	
Equipment, plant and machinery	423,009	
Others	8,396	432,755
Total	<hr/>	<hr/>
		1,167,710

NOTE 11 - Significant Related Party Transactions

No.	UMW-OG & Its Subsidiaries	Transacting Parties	Relationship	Nature of Transaction	RM'000
1.	UMW Offshore Drilling Sdn. Bhd.	UMW Pennzoil Distributors Sdn. Bhd.	Subsidiary of holding company	Purchase of Goods	20
2.	UMW Oilpipe Services Sdn. Bhd.	UMW Industries (1985) Sdn. Bhd.	Subsidiary of holding company	Purchase of Goods and Services	173
3.	UMW Offshore Drilling Sdn. Bhd.	U-TravelWide Sdn. Bhd.	Subsidiary of holding company	Purchase of Services	64
4.	UMW Oil & Gas Corporation Berhad	U-TravelWide Sdn. Bhd.	Subsidiary of holding company	Purchase of Services	34
5.	UMW JDC Drilling Sdn. Bhd.	Japan Drilling Co. Ltd. and its subsidiaries	Corporate Shareholder of UMW JDC Drilling Sdn. Bhd.	Purchase of Goods and Services	4,836
				Bareboat Charter	9,186
6.	UMW Oil & Gas Corporation Berhad	UMW Corporation Sdn. Bhd.	Subsidiary of holding company	Rental & Other expenses	857
				Management fee	350
7.	UMW Oil & Gas Corporation Berhad and its subsidiaries	Toyota Capital Malaysia Sdn. Bhd.	Associate of holding Company	Operating lease expense	326

NOTE 12 – Classification of Financial Assets

There were no changes in the classification of financial assets as a result of a change in the purpose or use of the asset.

NOTE 13 – Changes in Contingent Liabilities and Contingent Assets

There were no material contingent liabilities and contingent assets as at 31st March 2015.

NOTE 14 – Review of Performance

Current Quarter Ended 31st March 2015

	Revenue		Profit Before Tax	
	1st Quarter ended 31/03/2015 RM'000	1st Quarter ended 31/03/2014 RM'000	1st Quarter ended 31/03/2015 RM'000	1st Quarter ended 31/03/2014 RM'000
Business Segment				
Drilling Services	300,045	185,085	38,562	56,379
Oilfield Services	12,451	10,488	2,663	1,849
Others	-	-	1,236	75
Total	312,496	195,573	42,461	58,303

Group

Group revenue of RM312.5 million for the first quarter ended 31st March 2015 exceeded the RM195.6 million registered in the same quarter of 2014 by RM116.9 million or 59.8%. Improved revenue contributions from both the Drilling Services segment and the Oilfield Services segment resulted in the revenue increase in the first quarter of 2015. Overseas operations contributed approximately 63.5% of the Group revenue in the first quarter of 2015.

However, Group profit before tax declined to RM42.5 million in the first quarter ended 31st March 2015 from the RM58.3 million recorded in the same quarter of 2014, a reduction of RM15.8 million or 27.1%. Lower contributions from the Drilling segment accounted for the profit reduction in the first quarter of 2015.

Drilling Services Segment

The Drilling Services segment contributed revenue of RM300.0 million or 96.0% of the total revenue of RM312.5 million in the first quarter of 2015, an increase of RM114.9 million or 62.1% over the RM185.1 million recorded in the same quarter of 2014. The revenue improvement was the result of the following:

- (a) additional revenue contributions from our new offshore premium jack-up rigs, UMW NAGA 5 and UMW NAGA 6 which commenced operations in May 2014 and October 2014, respectively;
- (b) improved operating efficiency recorded by UMW NAGA 2 and UMW NAGA 3 in the first quarter of 2015 compared to the same quarter in 2014;
- (c) additional revenue contributions from our new hydraulic workover unit, UMW GAIT 6 which commenced operations in August 2014 as well as full-quarter utilisation of UMW GAIT 3; and
- (d) translation gains from the appreciation of United States Dollar against Ringgit Malaysia.

The Drilling Services segment contributed RM38.6 million or 90.8% of the Group profit before tax of RM42.5 million in the first quarter of 2015, a reduction of RM17.8 million or 31.6% compared to the RM56.4 million achieved in the same quarter of 2014. The profit reduction was mainly due to:

- (a) discounts on time charter rates given to existing clients in view of the significant drop in oil prices; and
- (b) additional operating expenses from our new offshore premium jack-up rig, UMW NAGA 7 which contract with Frontier Oil Corporation (“FOC”) was terminated. Please refer to Note 22 below for more details on arbitration proceedings against FOC. UMW NAGA 7 was ready for deployment in February 2015.

Oilfield Services Segment

In the first quarter of 2015, the Oilfield Services segment contributed revenue of RM12.5 million or 4.0% of the total revenue of RM312.5 million, an increase of RM2.0 million or 19.0% over the RM10.5 million registered in the same quarter of 2014. Improved revenue from OCTG threading and repair services recorded by our Labuan and Turkmenistan operations, mainly contributed to the revenue increase.

The Oilfield Services segment contributed profit before tax of RM2.7 million or 6.4% of the total Group profit before tax of RM42.5 million in the first quarter of 2015. This represented an increase of RM0.9 million or 50.0% over the RM1.8 million recorded in the same quarter of 2014. Higher profit contributions from our operations in Labuan and Turkmenistan mainly accounted for the increase in profit.

NOTE 15 – Comparison with Preceding Quarter's Results

	Revenue		Profit Before Tax	
	1st Quarter ended 31/03/2015 RM'000	Restated* 4th Quarter ended 31/12/2014 RM'000	1st Quarter ended 31/03/2015 RM'000	Restated* 4th Quarter ended 31/12/2014 RM'000
Business Segment				
Drilling Services	300,045	313,981	38,562	80,277
Oilfield Services	12,451	12,252	2,663	3,043
Others	-	-	1,236	450
Total	312,496	326,233	42,461	83,770

* Restated based on audited financial performance of the Group for the financial year ended 31st December 2014.

Revenue of RM312.5 million for the first quarter of 2015 was lower than the RM326.2 million registered in the fourth quarter of 2014 by RM13.7 million or 4.2%. The revenue decrease was attributable to the following:

- (a) lower time charter rates for most of the rigs due to discounts given to existing clients with effect from first quarter of 2015, a result of low oil prices; and
- (b) UMW NAGA 5 recorded a lower utilisation rate in the first quarter of 2015 compared to the full-quarter revenue contribution in the fourth quarter of 2014. UMW NAGA 5 left Myanmar for Singapore upon early completion of its contract with PTTEP International Limited in February 2015. Its next contract with PetroVietnam Drilling & Well Services Corporation for end-client Korea National Oil Corporation-Vietnam Office is expected to commence in the second quarter of 2015.

The above revenue reduction was however, mitigated by the additional revenue contributions by our new asset, UMW NAGA 6 which commenced operations in October 2014.

The first quarter of 2015 recorded a lower profit before tax of RM42.5 million, a reduction of RM41.3 million or 49.3% compared to the RM83.8 million registered in the fourth quarter of 2014. In addition to the factors above, termination of the contract with FOC for UMW NAGA 7 also contributed to the reduction in profit.

NOTE 16 – Current Prospect

Drilling Services Segment

For the remaining period of 2015, the Drilling Services segment is expected to brace for difficult times from margins squeeze as well as the lack of revenue and earnings visibility for some of our assets in view of the following factors:

- (a) lower time charter rates from discounts given to existing clients;
- (b) early completion of some of the existing contracts as options are not exercised; and
- (c) downward pressure on time charter rate and potentially lower level of rig utilisation due to stiff competitions for fewer new contracts in view of the current market outlook for the oil and gas industry.

Currently, the segment is participating in various stages of eighteen tenders with a total bid value of RM3 billion. The financial performance of the Drilling Services segment will be dependent upon the success of these tenders.

Oilfield Services Segment

Similarly, performance of the Oilfield Services segment will be impacted by the softening in oil and gas activities in view that its customers are mainly operating in the oil and gas industry.

Group

Profitability of the Group for the year 2015 will be affected by the slowdown in the oil and gas industry.

NOTE 17 – Statement on Revenue and Profit Forecast

This is not applicable to the Group.

NOTE 18 – Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

NOTE 19 – Taxation

	1st Quarter ended 31/03/2015 RM'000
Provision for current period	9,856
Under/(Over) provision in prior periods	(5)
	9,851
Deferred taxation	(42)
Total	9,809

The effective tax rate for the current quarter ended 31st March 2015 of 23.2% was lower than the statutory tax rate of 25%. Lower effective tax rates applicable to income from our operations in Labuan and overseas countries mainly accounted for the difference.

NOTE 20 – Corporate Proposals**(a) Corporate Proposal**

There were no corporate proposals announced but not completed at the date of this announcement.

(b) Status of utilisation of initial public offering (“IPO”) proceeds as at 8th May 2015

Purpose	Proposed utilisation	Actual utilisation to date	Deviation in amount & %	Explanation	Timeframe for utilisation after extension
	RM'mil	RM'mil			Month
Acquisition of rigs & HWU	986.6	544.2	n/a	n/a	36
Upgrading of rigs & HWU	20.1	20.1	nil	n/a	18
Acquisition / upgrading of machineries for Oilfield Services	10.4	8.1	n/a	n/a	30
Mobilisation and demobilisation costs for drilling rigs	50.0	33.7	n/a	n/a	30
Repayment to UMWH	597.4	597.4	nil	n/a	6
IPO / Listing expenses	48.5	41.2	RM7.3 mil * or 15.1%	Actual was lower than the budget	6
Total	1,713.0	1,244.7			

Date of listing : 1st November 2013

* The unutilised listing expenses of RM7.3 million will be used to meet mobilisation and demobilisation costs for drilling rigs.

NOTE 21 – Group Borrowings and Debt Securities

	RM'000	RM'000	USD'000
(a) Short term borrowings			
- Unsecured			
Short term loans and revolving credits	1,793,127		483,100
Portion of long term loans payable within 12 months	190,592		51,435
		1,983,719	
- Secured			
Finance lease payable		32	
		1,983,751	534,535
(b) Long term borrowings			
- Unsecured			
Long term loans	1,213,877		327,588
Portion of long term loans payable within 12 months	(190,592)		(51,435)
		1,023,285	
- Secured			
Finance lease payable		12	
		1,023,297	276,153

NOTE 22 – Material Litigation

On 10th April 2015, UMW Offshore Drilling Sdn Bhd ("UOD"), a wholly-owned subsidiary within the Group, served a notice of arbitration on FOC to seek amongst others, an award for damages and/or compensation for all losses arising from FOC's breach of contract but not limited to the early termination fee amounting to USD19.2 million. On 15th September 2014, the parties had entered into a drilling contract wherein UOD at the request of FOC, agreed to provide a drilling unit, UMW NAGA 7, and other related services.

In accordance with clause 2.2 of the contract, FOC was to have arranged for the issuance of a bank guarantee of USD5 million and an advance payment of USD15 million within the time stipulated in the contract, i.e. on or before 15th December 2014 (being a date not later than 30 days prior to the Early Commencement Date which was on 15th January 2015). Despite repeated reminders, FOC has failed to, refused to and/or neglected to arrange for the said bank guarantee and advance payment.

The contract further states that the contract breach, termination or validity thereof shall be settled by final and binding arbitration in accordance with the Singapore International Arbitration Centre ("SIAC"), before one (1) arbitrator to be appointed by the Chairman of SIAC, and that the place of arbitration shall be Singapore and the award shall be deemed to be a Singapore Award.

Other than the above, there was no material litigation pending on the date of this announcement.

NOTE 23 – Dividend

No interim dividend has been recommended for the quarter ended 31st March 2015.

NOTE 24 – Earnings Per Share

Basic earnings per share for the current quarter ended 31st March 2015 is calculated by dividing the net profit attributable to equity holders of the Company of RM32,150,000 by the weighted average number of ordinary shares in issue as at 31st March 2015 of 2,162,000,000 shares of RM0.50 each.

The Company has no dilutive potential ordinary shares as at 31st March 2015.

NOTE 25 – Realised and Unrealised Profits / (Losses)

The breakdown of retained profits of the Group as at 31st December 2014 and 31st March 2015, pursuant to the format prescribed by Bursa Securities, are as follows:

	As at 31/12/2014 RM'000	As at 31/03/2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	715,501	897,826
- Unrealised	(4,888)	(4,354)
	710,613	893,472
Total share of retained profits from associated company:		
- Realised	1,445	1,898
- Unrealised	-	-
	712,058	895,370
Less : Consolidation adjustments	(198,531)	(349,693)
Total Group retained profits as per consolidated accounts	513,527	545,677

NOTE 26 – Audit Qualification

The audit report in respect of the annual financial statements of the Company for the financial year ended 31st December 2014 was not qualified.

NOTE 27 – Items to Disclose in the Statement of Comprehensive Income

	1st Quarter ended 31/03/2015 RM'000
(a) Interest income	7,365
(b) Other investment income	-
(c) Depreciation and amortisation	(48,981)
(d) Reversal of impairment / (impairment) losses of receivables	-
(e) (Provision for) / write back of inventories	-
(f) (Loss) / gain on disposal of quoted or unquoted investment	-
(g) (Loss) / gain on disposal of properties	-
(h) Reversal / (Impairment) of assets/investments (net)	-
(i) Net foreign exchange (loss) / gain	(164)
(j) (Loss) / gain on derivatives (net)	(91)
(k) Property, plant and equipment written off	(6)

By Order Of The Board

MOHD NIZAMUDDIN BIN MOKHTAR
Secretary
(LS006128)

Kuala Lumpur
14th May 2015