

SCOMI MARINE BHD (397979-A)
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Income Statements For Three Months Ended 31 March 2007

	Current Quarter 3 months ended 31 March		Cumulative 3 months ended 31 March	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Continuing operations				
Revenue	116,475	109,082	116,475	109,082
Cost of sales	(90,321)	(80,753)	(90,321)	(80,753)
Gross profit	26,154	28,329	26,154	28,329
Administrative expenses	(10,048)	(7,061)	(10,048)	(7,061)
Other operating income	25	-	25	-
Profit from continuing operations	16,131	21,268	16,131	21,268
Interest expense	(10,087)	(11,314)	(10,087)	(11,314)
Interest income	1,297	1,353	1,297	1,353
Share of profits in an associated company	10,141	3,355	10,141	3,355
Profit before taxation	17,482	14,662	17,482	14,662
Taxation	(1,703)	(1,777)	(1,703)	(1,777)
Profit for the period from continuing operations	15,779	12,885	15,779	12,885
Profit for the period from discontinued operation	-	1,027	-	1,027
Profit for the period	15,779	13,912	15,779	13,912
Attributable to :				
Shareholders of the Company	14,395	13,219	14,395	13,219
Minority interests	1,384	693	1,384	693
Profit for the period	15,779	13,912	15,779	13,912
Earnings per share attributable to shareholders of the Company:				
<u>Basic earnings per ordinary share (sen)</u>				
- For profit from continuing operations	1.96	1.93	1.96	1.93
- For profit from discontinued operations	0.00	0.17	0.00	0.17
	<u>1.96</u>	<u>2.10</u>	<u>1.96</u>	<u>2.10</u>
<u>Diluted earnings per ordinary share (sen)</u>				
- For profit from continuing operations	1.96	1.68	1.96	1.68
- For profit from discontinued operations	0.00	0.14	0.00	0.14
	<u>1.96</u>	<u>1.82</u>	<u>1.96</u>	<u>1.82</u>

Note : The detailed calculation for the Basic and Diluted earnings per share is shown in note B13.

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2006.

Certain comparative figures have been reclassified to conform with current period's presentation.

Unaudited Condensed Consolidated Balance Sheets As At 31 March 2007

	As at 31 March 2007 RM'000	As at 31 December 2006 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	751,708	780,918
Investment in associated companies	200,650	196,973
Goodwill on consolidation	443,274	452,242
Deferred tax assets	15	6
Long term receivables	274	8
Total non-current assets	1,395,921	1,430,147
Current assets		
Trade and other receivables	179,542	238,937
Deposit with licensed banks	98,136	45,933
Cash and bank balances	44,716	49,813
	322,394	334,683
Total assets	1,718,315	1,764,830
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	733,009	733,009
Share premium	121,913	121,913
Exchange fluctuation reserves	(71,970)	(55,203)
Options reserve	1,666	1,366
Retained profits	117,121	102,726
Total equity attributable to shareholders of the Company	901,739	903,811
Minority interests	52,548	52,068
Total equity	954,287	955,879
Liabilities		
Non-current liabilities		
Long term borrowings	437,207	466,751
Provision for retirement benefits	2,239	2,112
	439,446	468,863
Current liabilities		
Trade and other payables	277,190	280,083
Short term borrowings	46,400	56,129
Current tax liabilities	992	3,877
	324,582	340,089
Total liabilities	764,028	808,952
Total equity and liabilities	1,718,315	1,764,830
Net assets per share (RM)	1.23	1.23

Unaudited Condensed Consolidated Statements of Changes in Equity
For The Three Months Ended 31 March 2007

	Non Distributable				Distributable		Attributable to shareholders of the Company		Total equity RM '000
	Share convertible preference shares RM '000	Redeemable cumulative preference shares RM '000	Share premium RM '000	Exchange fluctuation reserve RM '000	Option reserves RM '000	Retained profits RM '000	Total RM '000	Minority interests RM '000	
As at 1 January 2006	587,913	1,600	259,329	-	-	37,185	886,027	55,249	941,276
Net income recognised directly in equity:									
Overprovision of corporate expenses relating to corporate exercise in previous year	-	-	20	-	-	-	20	-	20
Exchange difference arising from translation of financial statements of foreign subsidiary companies	-	-	-	(17,346)	-	-	(17,346)	(1,237)	(18,583)
Total recognised income and expense	-	-	20	(17,346)	-	-	(17,326)	(1,237)	(18,563)
Profit for the period	-	-	-	-	-	13,219	13,219	693	13,912
Dividends on Redeemable Convertible Cumulative Preference Shares	-	-	-	-	-	(864)	(864)	-	(864)
Recognition of share-based payments	-	-	-	-	129	129	129	-	129
As at 31 March 2006	587,913	1,600	259,349	(17,346)	129	49,540	881,185	54,705	935,890
As at 1 January 2007	733,009	-	121,913	(55,204)	1,366	102,726	903,810	52,068	955,878
Net income recognised directly in equity:									
Exchange difference arising from translation of financial statements of foreign subsidiary companies	-	-	-	(16,766)	-	-	(16,766)	(1,026)	(17,792)
Total recognised income and expense	-	-	-	(16,766)	-	-	(16,766)	(1,026)	(17,792)
Issue of shares by subsidiary company	-	-	-	-	-	-	-	122	122
Profit for the period	-	-	-	-	-	14,395	14,395	1,384	15,779
Recognition of share-based payments	-	-	-	-	300	-	300	-	300
As at 31 March 2007	733,009	-	121,913	(71,970)	1,666	117,121	901,739	52,548	954,287

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Unaudited Condensed Consolidated Cash Flow Statements
For The Three Months Ended 31 March 2007

	Three months ended 31 March 2007 RM'000	Three months ended 31 March 2006 RM'000
Cash Flows From Operating Activities		
Net profit for the period	15,779	13,912
Adjustment for:		
Income tax expense	1,703	2,542
Depreciation of property, plant and equipment	14,213	14,252
Allowance for retirement benefit	-	129
Amortisation of expense	540	-
Recognition of share base payment expense	300	-
Interest expense	10,087	11,575
Unrealised exchange gain	(259)	-
Interest income	(1,297)	(1,379)
Share of profit of an associated company	(10,141)	(3,355)
Operating profit before working capital changes	30,925	37,676
Changes in working capital		
Increase in inventories	-	5,896
Decrease/(Increase) in trade and other receivables	54,523	(21,658)
Increase in trade and other payables	3,484	58,575
Cash generated from operations	88,932	80,489
Retirement benefit	-	-
Interest received	1,297	1,379
Income tax paid	(4,484)	(1,809)
Net cash generated from operating activities	85,745	80,059
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(106)	(23,386)
Dividend received from associated company	2,326	2,339
Net cash used in investing activities	2,220	(21,047)
Cash Flows From Financing Activities		
Repayment of loans and other borrowings	(29,520)	(39,893)
Drawdown of loan and hire purchase	0	-
Interest paid	(10,087)	(11,575)
Proceeds from issuance of shares by subsidiary companies	123	-
Net cash used in financing activities	(39,484)	(51,468)
Net increase in cash and cash equivalents	48,481	7,544
Cash and cash equivalents at 1 January	78,184	122,646
Effect of exchange rate changes	(1,026)	(2,389)
Cash and cash equivalents at 31 March	125,639	127,801

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:-

	RM'000	RM'000
Deposits with licensed banks	98,136	97,970
Cash and bank balances	44,716	63,481
Bank overdrafts	-	(6,676)
	142,852	154,775
Amount pledged	(17,213)	(26,974)
	125,639	127,801

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2006.