

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

Unaudited Condensed Consolidated Income Statements For Nine Months Ended 30 September 2007

	Current Quarter 3 months ended 30 September		Cumulative 9 months ended 30 September	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Continuing operations				
Revenue	117,955	109,675	351,093	327,877
Cost of sales	(91,956)	(79,886)	(269,353)	(234,323)
Gross profit	25,999	29,789	81,740	93,554
Administrative and other operating expenses	(13,427)	(8,440)	(37,650)	(24,791)
Other operating income	487	25	822	33
Profit from continuing operations	13,059	21,374	44,912	68,796
Interest expense	(9,581)	(11,576)	(29,024)	(34,113)
Interest income	1,158	1,734	3,522	4,715
Share of profits in associated companies	13,462	17,374	29,675	25,266
Profit before taxation	18,098	28,906	49,085	64,664
Taxation	(2,132)	(2,502)	(5,633)	(5,609)
Profit for the period from continuing operations	15,966	26,404	43,452	59,055
Profit for the period from discontinued operations	-	-	-	1,347
Profit for the period	15,966	26,404	43,452	60,402
Attributable to :				
Shareholders of the Company	14,652	26,214	39,706	59,142
Minority interests	1,314	190	3,746	1,260
Profit for the period	15,966	26,404	43,452	60,402
Earnings per share attributable to shareholders of the Company:				
Basic earnings per ordinary share (sen)				
- For profit from continuing operations	2.00	3.67	5.42	8.78
- For profit from discontinued operations	0.00	0.00	0.00	0.22
	2.00	3.67	5.42	9.00
Diluted earnings per ordinary share (sen)				
- For profit from continuing operations	1.99	3.67	5.42	8.75
- For profit from discontinued operations	0.00	0.00	0.00	0.21
	1.99	3.67	5.42	8.96

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.

Unaudited Condensed Consolidated Balance Sheets As At 30 September 2007

	As at 30 September 2007 RM'000	As at 31 December 2006 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	712,494	780,918
Investment in associated companies	217,552	196,973
Other investment	5	-
Goodwill on consolidation	438,149	452,242
Deferred tax assets	15	6
Long term receivables	265	8
Total non-current assets	1,368,480	1,430,147
Current assets		
Trade and other receivables	188,173	238,937
Deposit with licensed banks	77,249	45,933
Cash and bank balances	39,644	49,813
	305,066	334,683
Total assets	1,673,546	1,764,830
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	733,009	733,009
Share premium	121,913	121,913
Exchange fluctuation reserves	(81,458)	(55,203)
Options reserve	3,311	1,366
Retained profits	114,940	102,726
Total equity attributable to shareholders of the Company	891,715	903,811
Minority interests	52,314	52,068
Total equity	944,029	955,879
Liabilities		
Non-current liabilities		
Long term borrowings	612,804	466,751
Provision for retirement benefits	2,554	2,111
	615,358	468,862
Current liabilities		
Trade and other payables	92,795	280,083
Short term borrowings	20,214	56,129
Current tax liabilities	1,150	3,877
	114,159	340,089
Total liabilities	729,517	808,951
Total equity and liabilities	1,673,546	1,764,830
Net assets per share (RM)	1.22	1.23

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

Unaudited Condensed Consolidated Statements of Changes in Equity
For The Nine Months Ended 30 September 2007

	Non Distributable				Distributable		Attributable to shareholders of the Company		Total equity RM '000
	Share convertible 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	-	(606)	-	-	-	(606)	-	(606)	
Exchange difference arising from translation of financial statements of foreign subsidiary companies	-	-	(20,289)	-	-	(20,289)	(1,415)	(21,704)	
Net profit/(loss) recognised directly in equity	-	(606)	(20,289)	-	-	(20,895)	(1,415)	(22,310)	
Profit for the period	-	-	-	-	59,142	59,142	1,260	60,402	
Total recognised income and expense	-	(606)	(20,289)	-	59,142	38,247	(155)	38,092	
Issue of shares	5,966	-	895	-	-	6,861	-	6,861	
Dividends - Ordinary shares - Redeemable Convertible Cumulative Preference Shares - Minority Shareholders of subsidiary companies	-	-	-	-	(11,877) (3,042)	(11,877) (3,042)	-	(11,877) (3,042) (2,775)	
Conversion of Redeemable Convertible Cumulative Preference Shares	139,130	(1,600)	(137,530)	-	-	-	-	-	
Recognition of share-based payments	-	-	-	387	-	387	-	387	
As at 30 September 2006	733,009	122,088	(20,289)	387	81,403	916,603	52,319	968,922	
As at 1 January 2007	733,009	121,913	(55,203)	1,366	102,726	903,811	52,068	955,879	
Net income recognised directly in equity : Exchange difference arising from translation of financial statements of foreign subsidiary companies	-	-	(26,255)	-	-	(26,255)	(1,613)	(27,868)	
Net profit/(loss) recognised directly in equity	-	-	(26,255)	-	-	(26,255)	(1,613)	(27,868)	
Profit for the period	-	-	-	-	39,706	39,706	3,746	43,452	
Total recognised income and expense	-	-	(26,255)	-	39,706	13,451	2,133	15,584	
Issue of shares by subsidiary company	-	-	-	-	-	-	123	123	
Dividends - Ordinary shares - Minority shareholders of subsidiary companies	-	-	-	-	(27,492)	(27,492)	(2,010)	(29,502)	
Recognition of share-based payments	-	-	-	1,945	-	1,945	-	1,945	
As at 30 September 2007	733,009	121,913	(81,488)	3,311	114,940	851,715	52,314	904,029	

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Unaudited Condensed Consolidated Cash Flow Statements
For The September Months Ended 30 September 2007

	Nine months ended 30 September 2007 RM'000	Nine months ended 30 September 2006 RM'000
Cash Flows From Operating Activities		
Profit for the period	43,452	60,402
Adjustments for:		
Income tax expense	5,633	7,047
Depreciation of property, plant and equipment	42,315	42,687
Gain on disposal of property, plant and equipment	(477)	-
Amortisation of expense	4,804	-
Recognition of share base payment expense	1,945	387
Interest expense	29,024	37,052
Interest income	(3,522)	(5,309)
Share of profit of associated companies	(29,675)	(25,266)
Operating profit before working capital changes	93,499	117,000
Changes in working capital		
Increase in inventories	-	(2,326)
Decrease in trade and other receivables	(9,039)	(45,847)
Decrease in trade and other payables	(188,174)	(3,256)
Cash (used in)/generated from operations	(103,714)	65,571
Interest received	3,522	5,309
Income tax paid	(8,052)	(7,258)
Net cash generated (used in)/from operating activities	(108,244)	63,622
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(314)	(1,291)
Proceeds from disposal of property, plant and equipment	3,327	-
Purchase of other investment	(5)	-
Dividend received from associated company	2,341	2,339
Proceeds from disposal of subsidiary companies	53,837	43,335
Decrease in amount pledged to financial institution	11,406	18,400
Net cash generated from investing activities	70,592	62,783
Cash Flows From Financing Activities		
Repayment of loans and other borrowings	(368,343)	(239,661)
Drawdown of loan and hire purchase	489,745	116,288
Interest paid	(29,024)	(37,052)
Proceeds from issuance of shares	-	6,255
Proceeds from issuance of shares by subsidiary companies	123	-
Dividend paid to shareholders	(18,325)	(14,919)
Dividend paid to shareholders of minority interests	(2,010)	(2,775)
Net cash generated from/(used in) financing activities	72,166	(171,864)
Net increase/(decrease) in cash and cash equivalents	34,514	(45,459)
Cash and cash equivalents at 1 January	78,184	122,646
Effect of exchange rate changes	(1,961)	(2,813)
Cash and cash equivalents at 30 September	110,737	74,374

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

	RM'000	RM'000
Deposits with licensed banks	77,249	63,982
Cash and bank balances	39,644	18,856
Bank overdrafts	-	-
	116,893	82,838
Amount pledged	(6,156)	(8,464)
	110,737	74,374

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