

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

Unaudited Condensed Consolidated Income Statements For 6 months ended 30 June 2008

	Current Quarter 3 months ended 30 June		Cumulative 6 months ended 30 June	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Revenue	117,036	116,665	228,960	233,137
Cost of sales	(95,693)	(87,078)	(186,158)	(177,397)
Gross profit	21,343	29,587	42,802	55,740
Administrative and other operating expenses	(8,236)	(14,172)	(15,762)	(24,221)
Other operating income	492	43	711	335
Profit from operations	13,599	15,458	27,751	31,854
Interest expense	(9,502)	(9,356)	(18,487)	(19,442)
Interest income	183	1,333	474	2,364
Share of profits in associated companies	12,606	6,072	20,118	16,213
Profit before taxation	16,886	13,507	29,856	30,989
Taxation	(1,720)	(1,798)	(3,289)	(3,501)
Profit for the period	15,166	11,709	26,567	27,488
Attributable to :				
Shareholders of the Company	14,515	10,661	24,986	25,055
Minority interests	651	1,048	1,581	2,433
Profit for the period	15,166	11,709	26,567	27,488
Earnings per share attributable to shareholders of the Company:				
<u>Basic earnings per ordinary share (sen)</u>	<u>1.98</u>	<u>1.45</u>	<u>3.41</u>	<u>3.42</u>
<u>Diluted earnings per ordinary share (sen)</u>	<u>n.a.</u>	<u>1.45</u>	<u>n.a.</u>	<u>3.42</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 2007.

Unaudited Condensed Consolidated Balance Sheets As At 30 June 2008

	As at 30 June 2008 RM'000	As at 31 December 2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	665,462	679,863
Investment in associates	227,886	200,970
Goodwill on consolidation	418,932	424,057
Deferred tax assets	8	26
Long term receivables	18,241	21,518
Total non-current assets	1,330,529	1,326,434
Current assets		
Trade and other receivables	257,587	201,751
Deposit with licensed banks	7,041	22,702
Cash and bank balances	42,856	44,263
	307,484	268,716
Total assets	1,638,013	1,595,150
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	733,009	733,009
Treasury shares	(2)	(1)
Share premium	121,913	121,913
Exchange fluctuation reserves	(119,755)	(109,725)
Options reserve	3,566	3,316
Retained profits	145,392	129,568
Total equity attributable to shareholders of the Company	884,123	878,080
Minority interests	51,525	51,769
Total equity	935,648	929,849
Liabilities		
Non-current liabilities		
Long term borrowings	552,728	565,144
Deferred Tax Liabilities	90	91
Provision for retirement benefits	2,482	2,288
	555,300	567,523
Current liabilities		
Trade and other payables	114,313	77,064
Short term borrowings	30,007	19,564
Current tax liabilities	2,745	1,150
	147,065	97,778
Total liabilities	702,365	665,301
Total equity and liabilities	1,638,013	1,595,150
Net assets per share (RM)	1.21	1.20

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2007

Unaudited Condensed Consolidated Statements of Changes in Equity
For The Six Months Ended 30 June 2008

	Non Distributable				Distributable			Attributable to shareholders of the Company		
	Share invertible capital RM '000	Share preference shares RM '000	Share premium RM '000	Treasury Shares RM'000	Exchange fluctuation reserve RM '000	Option reserves RM '000	Retained profits RM '000	Total RM '000	Minority interests RM '000	Total equity RM '000
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	-	-	-	-	(18,503)	-	-	(18,503)	(1,175)	(19,678)
Net profit/(loss) recognised directly in equity	-	-	-	-	(18,503)	-	-	(18,503)	(1,175)	(19,678)
- Profit for the period	-	-	-	-	-	-	25,055	25,055	2,433	27,488
Total recognised income and expense	-	-	-	-	(18,503)	-	25,055	6,552	1,258	7,810
Share base payment expenses	-	-	-	-	-	749	-	749	-	749
Issue of shares by subsidiary company	-	-	-	-	-	-	(18,325)	(18,325)	123	(18,202)
As at 30 June 2007	733,009	-	121,913	-	(73,706)	2,115	109,456	892,787	53,449	946,236
As at 1 January 2008	733,009	-	121,913	(1)	(109,725)	3,316	129,568	878,080	51,769	929,849
Net income recognised directly in equity :										
Exchange difference arising from translation of financial statements of foreign subsidiary companies	-	-	-	-	(10,030)	-	-	(10,030)	(1,825)	(11,855)
Net profit/(loss) recognised directly in equity	-	-	-	-	(10,030)	-	-	(10,030)	(1,825)	(11,855)
Profit for the period	-	-	-	-	-	-	24,986	24,986	1,581	26,567
Total recognised income and expense	-	-	-	-	(10,030)	-	24,986	14,956	(244)	14,712
Purchase of treasury shares	-	-	-	(1)	-	-	-	(1)	-	(1)
Dividends	-	-	-	-	-	-	(9,162)	(9,162)	-	(9,162)
Share base payment expenses	-	-	-	-	-	250	-	250	-	250
As at 30 June 2008	733,009	-	121,913	(2)	(119,755)	3,566	145,392	884,123	51,525	935,648

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2007

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Unaudited Condensed Consolidated Cash Flow Statements
For The Six Months Ended 30 June 2008

	6 months ended 30 June 2008 RM'000	6 months ended 30 June 2007 RM'000
Cash Flows From Operating Activities		
Profit for the period	26,567	27,488
Adjustments for:		
Income tax expense recognised in income statements	3,289	3,501
Gain on disposal of property, plant and equipment	(245)	(9)
Depreciation of property, plant and equipment	25,668	28,198
Amortisation of loan expense	3,703	3,715
Recognition of share based payment expense	250	749
Interest expense	18,487	19,442
Interest income	(474)	(2,364)
Share of profit of associated companies	(20,118)	(16,213)
Operating profit before working capital changes	57,127	64,507
Changes in working capital		
(Increase)/Decrease in trade and other receivables	(58,786)	39,925
(Decrease)/increase in trade and other payables	29,944	(9,599)
Cash (used in)/generated from operations	28,285	94,833
Interest received	474	2,364
Income tax paid	(1,652)	(5,936)
Net cash generated from operating activities	27,107	91,261
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(19,597)	(267)
Proceeds from disposal of property, plant and equipment	310	26
Purchase of treasury shares	(1)	-
Investment in associate	(11,377)	-
Dividend received from associated company	2,381	2,320
Decrease in amount pledge to financial institution	-	5,848
Net cash (used in)/generated from investing activities	(28,284)	7,927
Cash Flows From Financing Activities		
Repayment of loans and other borrowings	(2,211)	(30,964)
Drawdown of loan and hire purchase	6,453	-
Interest paid	(18,487)	(19,442)
Proceeds from issuance of shares by subsidiary companies	-	123
Dividend paid to minority interest	(1,025)	-
Net cash used in financing activities	(15,270)	(50,283)
(Decrease)/increase in cash and cash equivalents	(16,447)	48,904
Cash and cash equivalents at 1 January	66,965	78,184
Effect of exchange rate changes	(621)	(1,306)
Cash and cash equivalents at 31 March	49,897	125,782
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:-		
	RM'000	RM'000
Deposits with licensed banks	7,041	78,336
Cash and bank balances	42,856	58,831
	49,897	137,167
Amount pledged	-	(11,385)
	49,897	125,782

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2007.