PETRA PERDANA BERHAD **(Company No. 372113 - A)**
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Current Quarter Ended 31-Dec-10 RM'000	Corresponding Quarter Ended 31-Dec-09 RM'000	Current Year-to-date Ended 31-Dec-10 RM'000	Corresponding Year-to-date Ended 31-Dec-09 RM'000
Revenue	75,689	119,419	254,887	605,684
Cost of Sales	(77,998)	(111,189)	(280,800)	(491,792)
Gross (Loss)/Profit	(2,309)	8,230	(25,913)	113,892
Other income	9,248	19,645	28,261	32,866
Operating expenses	(19,475)	(15,881)	(52,677)	(64,614)
Finance costs	(4,433)	(6,593)	(22,955)	(32,695)
Share of results in an associate *	(1,802)	(748)	951	(748)
(Loss)/Profit before taxation	(18,771)	4,653	(72,333)	48,701
Income tax expense	199	(303)	471	(12,351)
(Loss)/Profit for the year	(18,572)	4,350	(71,862)	36,350
Attributable to:				
Equity holders of the Company	(18,344)	4,050	(71,458)	29,317
Minority interests	(228)	300	(404)	7,033
	(18,572)	4,350	(71,862)	36,350
(Loss)/Earnings per share of RM0.50 each (Sen)				
a) Basic (based on weighted average)	(4.43)	1.36	(21.36)	9.85
b) Fully diluted	N/A	N/A	N/A	N/A

** The share of associate's losses was computed based on the unaudited financial results provided by the management of the associate company on 24 February 2011.*

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009)

PETRA PERDANA BERHAD **(Company No. 372113 - A)**
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter Ended 31-Dec-10 RM'000	Corresponding Quarter Ended 31-Dec-09 RM'000	Current Year-to-date Ended 31-Dec-10 RM'000	Corresponding Year-to-date Ended 31-Dec-09 RM'000
(Loss)/Profit for the year	(18,572)	4,350	(71,862)	36,350
Other comprehensive income				
Currency translation differences arising from consolidation	(4,887)	(9,892)	(56,593)	(8,927)
Movement in Cash Flow Hedge Reserve	(179)	-	(1,311)	-
Total Comprehensive Income for the year	(23,638)	(5,542)	(129,766)	27,423
Attributable to:				
Equity holders of the Company	(23,473)	(5,841)	(129,403)	20,116
Minority interests	(165)	299	(363)	7,307
	(23,638)	(5,542)	(129,766)	27,423

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009)

PETRA PERDANA BERHAD (Company No. 372113 - A)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) 31-Dec-10 RM'000	(Audited) 31-Dec-09 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	400,935	460,698
Investment in an associate	88,985	90,319
Intangible assets	27,507	27,507
Deposits	90,930	75,106
Deferred tax assets	46	46
	608,403	653,676
CURRENT ASSETS		
Inventories	6,908	5,533
Trade receivables	46,019	46,269
Other receivables	53,274	74,673
Amount owing by an associate	-	51,649
Amount owing by related parties	36,614	38,194
Tax recoverable	3,758	5,057
Fixed deposits with licensed banks	51,188	158,437
Cash and bank balances	18,293	21,288
	216,054	401,100
Non-current asset classified as held for sale	-	86,361
	216,054	487,461
TOTAL ASSETS	824,457	1,141,137
EQUITY AND LIABILITIES		
EQUITY		
Share capital	225,060	148,800
Reserves	279,520	414,869
SHAREHOLDERS' EQUITY	504,580	563,669
MINORITY INTERESTS	217	580
TOTAL EQUITY	504,797	564,249
NON-CURRENT LIABILITIES		
Deferred taxation	4,048	2,060
Long-term borrowings	146,088	227,063
Cross currency interest rate swap	3,070	-
Other payables	260	241
	153,466	229,364
CURRENT LIABILITIES		
Trade payables	36,186	30,025
Other payables	30,287	95,031
Amount owing by an associate	-	1,975
Amount owing to related parties	33	236
Short-term borrowings	98,808	218,019
Provision for taxation	880	2,238
	166,194	347,524
TOTAL LIABILITIES	319,660	576,888
TOTAL EQUITY AND LIABILITIES	824,457	1,141,137
NET ASSETS PER ORDINARY SHARE (RM)	1.12	1.89

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009)

PETRA PERDANA BERHAD **(Company No. 372113 - A)**
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31-Dec-10 RM'000	31-Dec-09 RM'000
Cash flow (for)/from operating activities		
(Loss)/Profit before taxation	(72,333)	48,701
Adjustments for:		
Amortisation of prepaid lease payments	-	118
Depreciation of property, plant and equipment	36,227	48,956
Gain on disposal of property, plant and equipment	(424)	(3,165)
Gain on disposal of non-current asset classified as held for sale	(5,855)	(1,952)
Gain on disposal of interest in a subsidiary	-	(12,677)
Unrealised gain on foreign exchange	(9,464)	(399)
Share of results in an associate	(951)	748
Interest expense	21,443	25,770
Fair value adjustment on borrowings	193	-
Impairment loss on long term deposits	9,380	-
Impairment loss on vessels	2,981	-
Impairment loss on receivables	4,700	-
Write-back of allowance for doubtful debts	-	(555)
Waiver of debts	-	(866)
Inventories written off	-	2
Property, plant and equipment written off	9	-
Interest income	(7,326)	(3,845)
Operating (loss)/profit before working capital changes	(21,420)	100,836
Increase in inventories	(1,524)	(13,510)
Increase in trade and other receivables	(5,908)	(62,018)
Increase in amount owing by contract customers (net)	-	(18,491)
Net decrease in amount owing by related parties	(3,712)	(29,887)
(Decrease)/increase in trade and other payables	(57,418)	91,685
Net cash (for)/from operations	(89,982)	68,615
Tax paid	(2,210)	(16,484)
Tax refund	4,682	2,475
Net cash (for)/from operating activities	(87,510)	54,606
Cash flow from/(for) investing activities		
Charterer deposits paid	(42,535)	(34,109)
Purchase of property, plant and equipment	(190,955)	(529,309)
Investment in an associate	-	(40)
Proceeds from disposal of property, plant and equipment	177,580	326,539
Proceeds from disposal of non-current asset classified as held for sale	94,501	6,656
Net cash outflow for acquisition of a subsidiary	-	(2,637)
Net cash inflow from disposal of interest in a subsidiary	-	60,762
Repayment from associate	49,674	1,803
Repayment from related parties	39	106,163
Interest received	3,669	3,845
Dividend received from an associate	577	-
Withdrawal of fixed deposits	112,768	2,216
Net cash from/(for) investing activities	205,318	(58,111)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31-Dec-10 RM'000	31-Dec-09 RM'000
Cash flow for financing activities		
Drawdown of bank borrowings	71,408	231,368
Repayment of bank borrowings	(270,000)	(384,908)
Proceeds from issuance of share by a subsidiary to minority shareholders	45	322
Proceeds from issuance of shares	111,711	-
Share issue expenses	(1,888)	-
Repayment of hire purchase obligations	(46)	(245)
Interest paid	(21,443)	(25,770)
(Repayment to)/advances from related parties	(219)	236
Dividend paid to minority shareholders	-	(1,893)
Dividend paid	(4,464)	(4,464)
Net cash for financing activities	(114,896)	(185,354)
Net change in cash and cash equivalents	2,912	(188,859)
Effect of foreign exchange translation	(388)	920
Cash and cash equivalents at beginning of the financial year	35,419	223,358
Cash and cash equivalents at end of the financial year	37,943	35,419
Cash and cash equivalents		
Fixed deposits with licensed banks	51,188	158,437
Cash and bank balances	18,293	21,288
	69,481	179,725
Less: Fixed deposits pledged as security	(31,538)	(144,306)
	37,943	35,419

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009)

PETRA PERDANA BERHAD (Company No. 372113 - A)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Capital Redemption Reserve RM'000	Cash Flow Hedge Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Financial year ended 31 December 2010										
As at 1 January 2010, as previously stated	148,800	60,377	-	2,127	-	56	352,309	563,669	580	564,249
Effect of adopting FRS 139	-	-	-	-	-	-	(35,045)	(35,045)	-	(35,045)
As at 1 January 2010, as restated	148,800	60,377	-	2,127	-	56	317,264	528,624	580	529,204
Issuance of ordinary shares under private placement	14,880	24,403	-	-	-	-	-	39,283	-	39,283
Issuance of ordinary shares under rights issue	61,380	-	11,048	-	-	-	-	72,428	-	72,428
Share issue expenses	-	(1,888)	-	-	-	-	-	(1,888)	-	(1,888)
Total comprehensive income for the year	-	-	-	-	(1,311)	(56,634)	(71,458)	(129,403)	(363)	(129,766)
Dividend	-	-	-	-	-	-	(4,464)	(4,464)	-	(4,464)
Balance as at 31 December 2010	225,060	82,892	11,048	2,127	(1,311)	(56,578)	241,342	504,580	217	504,797
Financial year ended 31 December 2009										
As at 1 January 2009	148,800	60,377	-	2,127	-	6,860	327,456	545,620	118,162	663,782
Total comprehensive income for the year	-	-	-	-	-	(9,201)	29,317	20,116	7,307	27,423
Translation loss on disposal of a vessel	-	-	-	-	-	2,397	-	2,397	-	2,397
Acquisition of interest in a subsidiary	-	-	-	-	-	-	-	-	562	562
Disposal of interest in a subsidiary	-	-	-	-	-	-	-	-	(123,880)	(123,880)
Issuance of share by a subsidiary to minority shareholders	-	-	-	-	-	-	-	-	322	322
Dividend	-	-	-	-	-	-	(4,464)	(4,464)	-	(4,464)
Dividend paid to minority interests by subsidiaries	-	-	-	-	-	-	-	-	(1,893)	(1,893)
Balance as at 31 December 2009	148,800	60,377	-	2,127	-	56	352,309	563,669	580	564,249

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009)

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

The interim financial statements have been prepared in accordance with Financial Reporting Standards ("FRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009. These 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 2009.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009 except for the adoption of the following new accounting standards and interpretations (including the consequential amendments) effective 1 January 2010 as disclosed below:

FRSs and IC Interpretations (including the Consequential Amendments)

FRS 4 Insurance Contracts

FRS 7 Financial Instruments: Disclosures

FRS 8 Operating Segments

FRS 101 (Revised) Presentation of Financial Statements

FRS 123 (Revised) Borrowing Costs

FRS 139 Financial Instruments: Recognition and Measurement

Amendments to FRS 1 and FRS 127: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2: Vesting Conditions and Cancellations

Amendments to FRS 7, FRS 139 and IC Interpretation 9

Amendments to FRS 101 and FRS 132: Puttable Financial Instruments and Obligations Arising on Liquidation

Amendments to FRS 132: Classification of Rights Issues and the Transitional Provision in Relation to Compound Instruments

IC Interpretation 9 Reassessment of Embedded Derivatives

2. Changes in Accounting Policies (Cont'd)

FRSs and IC Interpretations (including the Consequential Amendments)

IC Interpretation 10 Interim Financial Reporting and Impairment

IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions

IC Interpretation 13 Customer Loyalty Programmes

IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Annual Improvements to FRSs (2009)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's financial statements, other than the following:-

(i) FRS 7 requires additional disclosures about the financial instruments of the Group. Prior to 1 January 2010, information about financial statements was disclosed in accordance with the requirements of FRS 132 - Financial Instruments: Disclosures and Presentation. FRS 7 requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group has applied FRS 7 prospectively in accordance with the transitional provisions. Accordingly, the new disclosures have not been applied to the comparatives and are included throughout the financial statements for the current financial year.

(ii) FRS 101 (Revised) introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements.

The revised standard also separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented in the statement of comprehensive income as other comprehensive income.

FRS 101 (Revised) also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

(iii) The adoption of FRS 139 (including the consequential amendments) has resulted in several changes to accounting policies relating to recognition and measurements of financial instruments.

2. Changes in Accounting Policies (Cont'd)

In accordance with the transitional provisions of FRS 139 for first-time adoption, adjustments arising from the change in accounting policies and remeasuring the financial instruments at the beginning of the financial year are recognised as adjustment to the opening balance of retained profits as follows, whilst adjustment to comparatives are not required:

	Note	Retained Profits RM'000
At 1 January 2010, as previously stated		352,309
Adjustment arising from adoption of FRS 139:		
Fair value of financial assets - deposits	(a)	(35,728)
Fair value of financial liabilities - borrowings	(b)	198
Share of fair value adjustment in an associate		485
Decrease in reserves		(35,045)
At 1 January 2010, as restated		317,264

These changes in accounting policies have effected increased in profits by RM1,012,248 during the current quarter but effected a reduction in profits by RM5,915,728 for the current year to-date.

(a) Prior to 1 January 2010, the Group's non-current deposits were recorded at cost. With the adoption of FRS 139, these deposits are now recognised initially at their fair values, which are estimated by discounting the expected cash flows using the current market interest rate of a loan with similar risk and tenure. Interest income is recognised in profit and loss using the effective interest method.

(b) Prior to 1 January 2010, the Group's borrowings were recorded at cost. With the adoption of FRS 139, these borrowings are now recognised initially at their fair values. Subsequent to initial recognition, the borrowings are measured at amortised cost.

(c) Prior to the adoption of FRS 139, all derivatives financial instruments were recognised in the financial statements only upon settlement. These instruments do not qualify for hedge accounting and hence, upon adoption of this standard, all derivatives held by the Group as at 1 January 2010 are recognised at their fair values and are classified as financial assets at fair value through profit or loss.

(d) Prior to 1 January 2010, inter-company loans or advances were recorded at cost. With the adoption of FRS 139, inter-company loans and advances are now recognised initially at their fair values, which are estimated by discounting the expected cash flows using the current market interest rate of a loan with similar risk and tenure. Subsequent to initial recognition, the loans and advances are measured at amortised cost.

Besides, certain loans and advances of which the settlement is neither planned nor likely to occur in the foreseeable future are, in substance, a part of the Company's net investment in the subsidiaries. These loans and advances are stated at cost less accumulated impairment losses, if any, in the financial statements of the Company. Accordingly, the adoption of FRS 139 did not have any financial impact on the financial statements in respect of these loans and advances.

2. Changes in Accounting Policies (Cont'd)

(e) Cash Flow Hedge Reserve

The effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while an ineffective portion is recognised immediately in the income statement. Amounts taken to equity are transferred to the income statement when the hedged transaction affects profit or loss, such as when the hedged financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to equity are transferred to the initial carrying amount of non-financial asset or liability.

If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction or firm commitment occurs.

The Group has entered into a currency interest rate swap ("CIRS") to hedge in foreign exchange rate and interest rate risks. The CIRS is designated as cash flow hedge and was assessed to be highly effective.

Currency interest rate swap is cash flow hedge for the Group's exposure to foreign exchange rate and interest rate risk on its borrowings. This currency interest rate swap entitles the Group to receive USD LIBOR and USD equivalent of the principal whereby repayments based on an agreed exchange rate of 3.205 and pays interest at a fixed interest rate of 5.58%. As at 31 December 2010, the CIRS resulted in a loss on changes in fair value and foreign exchange loss amounting to RM1,310,866 included in equity.

(f) The Company has previously asserted explicitly that it regards financial guarantee contracts of banking facilities granted to its subsidiaries as insurance contracts and will apply FRS 4 to such financial guarantee contracts. Accordingly, the adoption of FRS 139 did not have any financial impact on the financial statements in respect of the financial guarantee contracts issued by the Company to its subsidiaries. These financial guarantee contracts issued are disclosed as contingent liabilities under Note 13.

2. Changes in Accounting Policies (Cont'd)

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

FRSs/IC Interpretations (including the Consequential Amendments)	Effective date
FRS 1 (Revised) First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (Revised) Business Combinations	1 July 2010
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (Revised) Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2: Scope of FRS 2 and FRS 3 (Revised)	1 July 2010
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 138: Consequential Amendments Arising from FRS 3 (Revised)	1 July 2010
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and FRS 3 (Revised)	1 July 2010
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011

2. Changes in Accounting Policies (Cont'd)

FRSs and IC Interpretations (including the Consequential Amendments)	Effective date
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Annual Improvements to FRSs (2010)	1 January 2011

The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's operations except as follows:-

(i) FRS 3 (Revised) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

(ii) FRS 127 (Revised) requires accounting for changes in ownership interests by the group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will apply the major changes of FRS 127 (Revised) prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting its future transactions or arrangements.

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 Items

There are no unusual 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 issuance, cancellation, repurchase, resale and repayment of debts and equity securities in the current quarter and financial year to-date, except as follows:-

The Company had increased its issued and paid-up share capital from RM148,800,000 to RM225,060,000 by the issuance of 29,760,000 new ordinary shares of RM0.50 each under a private placement exercise and 122,760,000 new ordinary shares of RM0.50 each by way of rights issue on 30 June 2010 and 27 October 2010 respectively. The new PPB shares were listed and quoted on the Main Market of Bursa Securities on 2 July 2010 and 1 November 2010 respectively.

8. Dividends Paid

A first and final dividend of 2.0 sen per ordinary share of RM0.50 each, less tax of 25% in respect of the financial year ended 31 December 2009 amounting to RM4,464,000 was paid on 28 July 2010.

9. Segmental Information

Business Segment - Quarter

Current Quarter Ended 31 December 2010	Marine Offshore Support Services RM'000	Integrated Brownfield, Engineering and Maintenance Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue					
External revenue	75,689	-	-	-	75,689
Inter-segment revenue	84	-	660	(744)	-
	75,773	-	660	(744)	75,689
Results					
Segment results	(44,988)	-	(2,736)	35,188	(12,536)
Finance costs	(789)	-	(3,701)	57	(4,433)
Share of results in an associate	-	(1,802)	-	-	(1,802)
(Loss)/Profit before taxation	(45,777)	(1,802)	(6,437)	35,245	(18,771)

Corresponding Quarter Ended 31 December 2009	Marine Offshore Support Services RM'000	Integrated Brownfield, Engineering and Maintenance Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue					
External revenue	50,423	68,846	150	-	119,419
Inter-segment revenue	951	-	28,963	(29,914)	-
	51,374	68,846	29,113	(29,914)	119,419
Results					
Segment results	(8,049)	4,407	103,834	(88,198)	11,994
Finance costs	(859)	(1,123)	(6,943)	2,332	(6,593)
Share of results in an associate	-	(748)	-	-	(748)
(Loss)/Profit before taxation	(8,908)	2,536	96,891	(85,866)	4,653

9. Segmental Information (Cont'd)

Business Segment – Year-to-date

Current Year-to-date Ended 31 December 2010	Marine Offshore Support Services RM'000	Integrated Brownfield, Engineering and Maintenance Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue					
External revenue	254,887	-	-	-	254,887
Inter-segment revenue	534	-	11,681	(12,215)	-
	255,421	-	11,681	(12,215)	254,887
Results					
Segment results	(73,119)	-	2,222	20,568	(50,329)
Finance costs	(4,641)	-	(19,426)	1,112	(22,955)
Share of results in an associate	-	951	-	-	951
(Loss)/Profit before taxation	(77,760)	951	(17,204)	21,680	(72,333)

Corresponding Year-to-date ended 31 December 2009	Marine Offshore Support Services RM'000	Integrated Brownfield, Engineering and Maintenance Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue					
External revenue	227,618	377,916	150	-	605,684
Inter-segment revenue	11,298	159	48,017	(59,474)	-
	238,916	378,075	48,167	(59,474)	605,684
Results					
Segment results	36,113	37,126	134,874	(125,969)	82,144
Finance costs	(1,435)	(7,739)	(32,964)	9,443	(32,695)
Share of results in an associate	-	(748)	-	-	(748)
Profit before taxation	34,678	28,639	101,910	(116,526)	48,701

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.

11. Material Events Subsequent to the reporting period

There were no material events subsequent to the reporting period 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 31 December 2010 including business combination, acquisition or disposal of subsidiary and long-term investments, restructuring and discontinuing operation except for the followings:

On 19 November 2010, Perdana Nautika Sdn Bhd ("PNSB") was incorporated with an issued and paid-up capital of RM2.00 each divided into 2 ordinary share of RM1.00. The main activity of PNSB was to provide offshore marine support services for the upstream oil and gas industry in the domestic market.

On 28 December 2010, the Company announced that it has subscribed for additional 54,998 ordinary shares of RM1.00 at par in the capital of PNSB representing 55% of the enlarged capital of PNSB of RM100,000. The balance of 45% equity stake of the enlarged capital of PNSB has been subscribed by Kelana Teroka Sdn Bhd, a 100% bumiputra Malaysian incorporated company with experiences in offshore marine support services. Among others, PNSB in its structure is to undertake the Petronas Licence requirements for domestic offshore marine support services.

13. Changes in Contingent Liabilities

	Group RM'000	Company RM'000
Unsecured:-		
Bank guarantee granted to third parties for the benefit of a subsidiary	2,320	2,320
Corporate guarantee given to licensed banks and financial institutions for credit facilities granted to related parties	9,508	9,508
Performance guarantee extended by subsidiaries to third parties	5	-
	11,833	11,828

14. Capital Commitment

As at 31 December 2010, the Group had the following capital commitments:

	RM'000
Approved and not contracted for	-
Approved and contracted for	199,380

15. Operating Lease Arrangements

As at 31 December 2010, the Group has entered into operating lease agreements for the use of certain vessels, office and warehouse. The future aggregate minimum lease payments are as follows:

	RM'000
Not later than 1 year	105,026
Later than 1 year and not later than 5 years	373,442
Later than 5 years	232,141
	710,609

16. Significant Related Party Transactions

a. The Group/Company had the following transactions with related parties during the financial quarter:

	Quarter ended 31-Dec-10 RM'000	Quarter ended 31-Dec-09 RM'000
i. Subsidiaries:		
Rental income from subsidiaries	40	70
Interest and finance charges from subsidiaries	45	2,141
Management fee from a subsidiary	-	270
Dividend income from subsidiaries	620	30,018
Handling fee charged by a subsidiary	84	164
Secondment fee charged by a subsidiary	-	-
		-
ii. Related parties:		
Charter income from related parties	25,491	-
Rental income from an associate	-	15
Interest and finance charges from an associate	-	326
Management fee from an associate	-	135

In the opinion of the Directors, the above transactions have been entered into in the ordinary course of business and have been established on terms that are not more favourable to the related parties than those generally available to the public.

16. Significant Related Party Transactions (Cont'd)

b. Compensation of key management personnel

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

	Quarter ended 31-Dec-10 RM'000	Quarter ended 31-Dec-09 RM'000
Short-term employee benefits	1,916	1,532

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

17. Review of Performance

For the current quarter ended 31 December 2010, the Group recorded a turnover of RM75.7 million, a decrease of 37% from RM119.4 million in the fourth quarter of 2009. The Group registered a loss before taxation of RM18.8 million in the current quarter, as compared to profits of RM4.6 million in the fourth quarter of 2009.

The significant decrease in turnover is mainly due to deconsolidation of Integrated Brownfield Services arising from the divestment of PEB group in Dec 2009. Excluding contributions from Integrated Brownfield Services in year 2009, the Group recorded a turnover of RM75.7 million, an increase of 50% from RM50.6 million in the fourth quarter of 2009. The increase in turnover is mainly due to the contribution from newly delivered vessels in 2010.

Excluding contributions from Integrated Brownfield Services in year 2009, the Group registered a loss before taxation of RM17.0 million in the current quarter, as compared to a profit before taxation of RM2.1 million in the fourth quarter of 2009. The loss before taxation is mainly attributed to:

a. Increase in lease rental from the new deliveries of vessels financed via sale and leaseback arrangement.

b. Lower charter rates resulted from the slowdown in regional drilling activities, coupled with the increase of new offshore support vessels by other offshore marine competitors.

c. Impairment loss on property, plant and equipment of RM3.0 million.

d. Impairment loss on receivables of RM4.7 million.

For the financial year ended 31 December 2010, the Group registered a turnover of RM254.9 million and loss before taxation of RM72.3 million. This represent a decrease of 58% and 248% as compared to previous year ended 31 December 2009's turnover of RM605.7 million and profit before taxation of RM48.7 million.

17. Review of Performance (Cont'd)

The decrease in turnover and profit before taxation is mainly attributed to:

a. Divestment of PEB group in Dec 2009 resulting in deconsolidation of Integrated Brownfield. Shares of profits from PEB amounting to RM1.0 million for current financial year as compared to profit of RM28.6 million in year 2009.

b. Lower vessels utilisation and decrease in charter rates resulted from the lower drilling activities.

c. High mobilisation cost and increase in lease rental due to 7 new deliveries of vessels during the current year.

d. Impairment loss on property, plant and equipment of RM3.0 million.

e. Impairment loss on receivables of RM4.7 million

f. Fair value adjustment arising from adoption of FRS 139 of RM5.9 million during the current year.

g. Gain on divestment of PEB shares of RM12.7 million in year 2009.

18. Comparison with Immediate Preceding Quarter

The Group achieved a turnover of RM75.7 million in the current quarter, an increase of 7% as compared to last quarter of RM70.9 million. The loss before taxation has reduced by 18% from RM22.9 million in last quarter to RM18.8 million in the current quarter.

The improvement in turnover and loss before taxation is mainly due to:

a. Increase in vessels utilisation in the current quarter.

b. Higher mobilisation cost incurred in the preceding quarter.

Also included in the current quarter's loss before taxation is a share of loss from PEB amounting to RM1.8 million as compared to share of profit of RM1.4 million in last quarter, impairment loss on property, plant and equipment of RM3.0 million and impairment loss on receivables of RM4.7 million.

19. Prospects

The performance of the Group is impacted by the slowdown in regional drilling activities and the increase of new offshore support vessels by industry competitors since mid of year 2009.

Following the recent period of volatile oil prices, we expect to see oil prices stabilising or even increasing moving forward as the global economic recovery gains traction. We expect to see a pick-up in activities in the oil and gas industry with effects showing from 2011 onwards in increased demand for offshore support services. This is in view of the anticipated corresponding rise in spending by oil and gas majors on new development investments and exploration activities in Malaysia and the rest of South-East Asia. Correspondingly, we anticipate an improvement in charter rates and vessel utilisation of our Group's fleet.

Meanwhile, the Group has almost completed its fleet renewal program. As at to-date, 13 new vessels have been delivered and the final 3 vessels are expected to be delivered by year 2011, increasing our Group's fleet of vessels to 26 in total.

Following the decrease in shipbuilding activities during the recent economic slowdown, our management believes that the number of new-built vessels to be delivered in the coming years is expected to reduce significantly. With our new-built vessels servicing both the green field and brown field segments, coupled with an average fleet age of seven years upon disposal of the old vessels, our management believes that our Group is in a competitive position and is poised to take advantage of the recovering upstream activities in the oil and gas industry, particularly in the domestic market.

This is expected to result in higher vessel utilisation arising from the increase in exploration and production activities and the corresponding increase in demand for offshore support vessels. The Group has incorporated a subsidiary company for Petronas licensing purposes with a view to enhancing its business flexibility and market presence.

The Group plans to continue tapping into regional markets such as Thailand, Indonesia, Vietnam, Myanmar and Australia as a key contributor towards our Group's results. We are also looking to establish our presence in new emerging markets such as India, China and West Africa within the next three to five years as a base to penetrate such markets and to extend the reach of our Group's marine support services with the aim of further diversifying our Group's income stream geographically.

Barring any unforeseen decline in crude oil prices, the Group is of the view that the Group's offshore marine business will see an improvement in performance in the coming year.

20. Taxation

The provision of taxation for the current quarter and financial year to-date under review are as follows:

	Current Quarter Ended 31-Dec-10 RM'000	Corresponding Quarter Ended 31-Dec-09 RM'000	Current Year-to-date Ended 31-Dec-10 RM'000	Corresponding Year-to-date Ended 31-Dec-09 RM'000
Current tax:				
Malaysian income tax	8	498	(2,370)	8,654
Foreign tax	(76)	320	652	4,663
	(68)	818	(1,718)	13,317
(Over)/under provision in previous year	(629)	39	(743)	51
	(697)	857	(2,461)	13,368
Deferred tax:				
Malaysian income tax	498	(554)	1,990	(1,017)
Total	(199)	303	(471)	12,351

The effective tax rate for current quarter and the financial year to-date is lower than the statutory tax rate principally due to lower statutory rates, losses in subsidiary companies and income not subject to tax for offshore subsidiary companies.

21. Unquoted Investment and Properties

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

22. Quoted Securities

There were no purchase or disposal 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.

23. Corporate Proposals

There were no corporate proposals announced but not completed as of 21 February 2011, except for the following:

a) On 2 July 2010, the Company announced the completion of the placement of 29,760,000 new ordinary shares of RM0.50 each in PPB ("PPB Shares") following the listing of and quotation for the said new PPB Shares on Main Market of Bursa Malaysia Securities Berhad ("Bursa") which was issued and allotted on 30 June 2010 at an issue price of RM1.32 per PPB Share.

The utilisation of proceeds of RM39.28 million from Private Placement as at 21 February 2011 is as follows:-

Purpose	**Proposed Utilisation RM'000**	**Adjustment RM'000**	**Total Proposed Utilisation RM'000**	**Actual Utilisation RM'000**	**Intended Timeframe for Utilisation**
Payment of charter deposits	19,203	-	19,203	*	Refer note
Working capital of Petra Perdana Group	19,780	38	19,818	19,818	12 months
Expenses relating to the Placement	300	(38)	262	262	6 months
Total	39,283	-	39,283	20,080	

* The utilisation of RM19.2 million is expected to defer as the Company is finalising the financing of the vessel.

b) On 1 November 2010, the Company announced the completion of the renounceable rights issue of 122,760,000 new ordinary shares of RM0.50 each in PPB ("PPB Shares") following the listing of and quotation for the said new PPB Shares on Main Market of Bursa Malaysia Securities Berhad ("Bursa") which was issued and allotted on 27 October 2010 at an issue price of RM0.59 per PPB Share.

The utilisation of proceeds of RM72.43 million from Rights Issue as at 21 February 2011 is as follows:-

Purpose	**Proposed Utilisation RM'000**	**Adjustment RM'000**	**Total Proposed Utilisation RM'000**	**Actual Utilisation RM'000**	**Intended Timeframe for Utilisation**
Repayment of borrowings	25,000	-	25,000	25,000	3 months
Working capital of Petra Perdana Group	45,428	283	45,711	45,711	12 months
Expenses relating to the Right Issue	2,000	(283)	1,717	1,717	1 month
Total	72,428	-	72,428	72,428	

24. Borrowings

Total Group's borrowings as at 31 December 2010 were as follows:

	As at 31-Dec-10 RM'000	As at 31-Dec-09 RM'000
Secured borrowings		
Short term	98,808	218,019
Long term	146,088	227,063
Total	244,896	445,082

The Group has settled RM150 million of Syndicated Transferable Term Loan, RM70 million Nominal Value Secured Serial Bonds, RM25 million of Medium Term Note and RM25 million Revolving Credits during the financial year ended 31 December 2010.

Included in the short-term borrowings are:

i. 2 series of RM35 million each Nominal Value Secured Serial Bonds which bear an interest rate of 6.30% and 6.55% p.a. repayable on 30 March 2011 and 30 September 2011 respectively.

ii. RM15 million and RM10 million Medium Term Notes which bears an interest rate of 6.10% and 6.30% p. a. and repayable on 3 May 2011 and 3 November 2011 respectively.

iii. RM3.7 million of Commodity Muharabah Term Loan bears an interest rate of 5.58% which repayable within 12 months.

Included in the long-term borrowings are:

i. RM105 million Nominal Value Secured Serial Bonds which bears an interest rate that ranges from 6.65% to 6.85% p.a.

ii. RM40.9 million of Commodity Muharabah Term Loan bears an interest rate of 5.58% p.a.

25. Financial Instruments

There are no outstanding financial instruments as at 31 December 2010.

26. Changes in Material Litigation

The Group is not engaged in any material litigation as at 21 February 2011.

27. Dividends

There was no dividend proposed in respect of the current quarter ended 31 December 2010.

28. (Loss)/Earnings Per Share

a.) Basic

	Current Quarter Ended 31-Dec-10 RM'000	Corresponding Quarter Ended 31-Dec-09 RM'000	Current Year-to-date Ended 31-Dec-10 RM'000	Corresponding Year-to-date Ended 31-Dec-09 RM'000
Net (loss)/profit attributable to shareholders	(18,344)	4,050	(71,458)	29,317
Number of ordinary shares of RM0.50 each at the beginning of the quarter/year	297,600,000	297,600,000	297,600,000	297,600,000
Effect of the issuance pursuant to Private Placement	29,760,000	-	15,002,301	-
Effect of the issuance pursuant to Rights Issue	86,732,609	-	21,861,370	-
Weighted average number of ordinary shares in issue	414,092,609	297,600,000	334,463,671	297,600,000
Basic (loss)/earnings per ordinary share of RM0.50 each (Sen)	(4.43)	1.36	(21.36)	9.85

b.) Diluted

Diluted earnings per share is not calculated as it is anti-dilutive.

29. Disclosure of Realised and Unrealised Profits

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraph 2.06 and 2.23 of the Bursa Securities Main Market 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 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

The breakdown of the retained profits of the Group as at 31 December 2010, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 30 Sept 2010 RM'000	As at 31 Dec 2010 RM'000
Total retained profits of the Group:		
- Realised	243,499	183,634
- Unrealised	(28,976)	(29,424)
	214,523	154,210
Total share of retained profits from associate		
- Realised	54,938	60,808
- Unrealised	-	(7,671)
	269,461	207,347
Less: Consolidation adjustments	(9,775)	33,995
Total retained profits as per statement of financial position	259,686	241,342

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.