

## **PART A: EXPLANATORY NOTES AS PER MASB 26**

### **A1. Basis of preparation of interim financial reports**

The interim financial statements are prepared in accordance with the requirements of the Financial Reporting Standards ("FRS") 134: "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Malaysia")'s Listing Requirements and should be read in conjunction with the Company's annual audited financial statements for the year ended 31<sup>st</sup> December 2005.

Up to 31 December 2005, the Group's consolidated financial statements were prepared in accordance with MASB Standards with effective dates before 1 January 2006 except for FRS2: Shared-based payments and FRS 127: Consolidated and separate financial statements, which were early adopted by the Group in 2005.

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31<sup>st</sup> December 2005 except for the adoption of the remaining new/revised FRSs with effective date for financial period beginning 1 January 2006. The Group has also elected not to adopt the following FRSs prior to their effective dates as stipulated by MASB:

FRS 117: Leases

FRS 124: Related Party Disclosures

FRS 139: Financial Instruments: Recognition and measurement

The principal effects of the changes from adoption of new accounting policies & accounting estimates are disclosed as follows:

- a) FRS 101: Presentation of Financial statements  
The revised FRS 101 requires that minority interest be presented within total equity in the consolidated balance sheet, and as an allocation of the net profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. This change in presentation of minority interest has been effected in the Group's consolidated financial statements for financial year ended 31 December 2005 as a result of early adoption of FRS 127. Comparatives to the consolidated income statements and statement of changes in equity have also been restated to conform to the current period's presentation.
- b) FRS 116: Property, Plant and Equipment  
In accordance with FRS 116, asset residual values, useful lives and depreciation methods will be assessed at each financial year end and adjusted if necessary. If the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, the asset's depreciation charge is zero unless and until its residual value subsequently decreases to an amount below the asset's carrying amount.

The Group revised the residual values of certain plant and machinery and motor vehicles with effect from 1 January 2006. The revisions were accounted for as a change in accounting estimates and as a result, the depreciation charges for the six-month period have been reduced by RM3.4 million.

- c) FRS 140: Investment property  
FRS 140 requires that properties held for rental yields or capital appreciation rather than being used by the Group be separately classified as investment properties. The Group has now separately classified certain properties previously included in property, plant and equipment as investment properties at cost less accumulated depreciation and impairment.

As a result of the adoption of FRS 140, comparative amounts as at 31 December 2005 have been reclassified as follows:

	As previously stated RM'000	FRS 140 (note A1(d)) RM'000	As restated RM'000
<b>At 31 December 2005</b>			
Property, plant and equipment	332,876	(1,926)	330,950
Investment property, included in property, plant & equipment	<u>-</u>	<u>1,926</u>	<u>1,926</u>

**A2. Qualification of financial statements**

The preceding year annual financial statements were not subject to any qualification.

**A3. Seasonal and cyclical factors**

The group's results were not materially affected by any major seasonal or cyclical factors.

**A4. Unusual and extraordinary items**

There were no exceptional and/or extraordinary items affecting assets, liabilities, equity, net income or cash during the current quarter under review.

**A5. Material changes in estimates**

There were no material changes in estimates reported in the current quarter under review except for what have been disclosed in note A1(b).

**A6. Issuance and repayment of debt and equity securities**

Save as disclosed below, there were no issuances, cancellations, share buy-backs, resale of shares bought back or repayment of debt and equity securities:

**(a) Employee Share Options Scheme ("ESOS")**

During the six-month period ended 30<sup>th</sup> June 2006, the issued and paid-up share capital of the Company was increased from 992,076,700 ordinary shares of RM0.10 each to 1,003,707,800 ordinary shares of RM0.10 each by the issuance of 11,631,100 new ordinary shares of RM0.10 each pursuant to the exercise of options granted under the ESOS at the option prices between RM0.17 and RM1.12 per ordinary share.

**(b) Treasury Shares**

On 28 June 2006, the shareholders of the Company renewed their approval for the Company's plan to repurchase its own ordinary shares. During the current quarter, the Company repurchased 910,000 of its issued ordinary shares from the open market at an average price of RM1.08 per share. The total consideration paid for the repurchase including transaction costs was RM 991,362 and this was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

**A7. Dividends Paid**

No dividends were paid during the quarter under review.

**A8. Segmental Information**

Division	2nd Quarter ended 30-Jun-06		Six-Months ended 30-Jun-06	
	Revenue	Profit before tax	Revenue	Profit before tax
	RM`000	RM`000	RM`000	RM`000
Oilfield Services	263,133	21,577	533,571	43,715
Engineering	61,367	9,629	104,690	16,836
Production Enhancement	12,039	806	18,875	1,374
Energy Logistics	11,407	7,044	16,622	11,213
Investment Holding	990	(10,517)	1,639	(19,571)
Total	<u>348,936</u>	<u>28,539</u>	<u>675,397</u>	<u>53,567</u>

Division	2nd Quarter ended 30-Jun-05		Six-Months ended 30-Jun-05	
	Revenue	Profit before tax	Revenue	Profit before tax
	RM`000	RM`000	RM`000	RM`000
Oilfield Services	195,858	13,925	369,499	27,400
Engineering	49,701	6,380	95,971	12,114
Production Enhancement	5,388	316	10,048	709
Energy Logistics	6,354	1,177	10,907	1,322
Investment Holding	284	(4,264)	396	(4,264)
Total	<u>257,585</u>	<u>17,534</u>	<u>486,821</u>	<u>37,281</u>

The presentation of segmental information has been reclassified for the preceding quarters to better reflect the grouping of business activities.

**A9. Valuation of property, plant and equipment**

There is no revaluation of property, plant and equipment, as the group does not adopt a revaluation policy on property, plant and equipment.

**A10. Material events subsequent to the balance sheet date**

There was no material event subsequent to the balance sheet date that has not been reflected in this condensed financial statement.

**A11. Changes in composition of the group**

On 28th April, 2006, a subsidiary of the Company, Kota Minerals and Chemicals Sdn Bhd has acquired an additional 25% equity interest in Sosma Sdn Bhd, thus making Sosma Sdn Bhd a wholly owned subsidiary of the Company.

## A12. Contingent liabilities

Details of contingent liabilities of the Group as at 30<sup>th</sup> June 2006 are as follows:

	<b>RM ` 000</b>
Guarantee relating to borrowings of associates	<u>63</u>

## A13. Capital and operating lease commitments

Authorised capital commitments not provided for in the financial statements as at 30<sup>th</sup> June 2006:

	<b>Approved and contracted for RM ` 000</b>	<b>Approved but not contracted for RM ` 000</b>
Acquisition of shares in KMC Oiltools Bermuda Limited (Put and Call Option)		
- Derrick Acquisition	38,130	-
- Pianca Acquisition *	25,693	-
Property	146	6,348
Plant and Machinery	42,912	114,164
Office Equipment, Furniture and Fittings	2,230	5,977
Motor Vehicles	6,880	34,327
Total	<u>115,991</u>	<u>160,816</u>

\* This is the minimum amount stated as payable to Mr Pianca under the Put & Call agreement in the event of certain events, such as death, occurring before the exercise dates. If the events do not occur, the actual amount payable is based on a stated formula tied to profits of the KMC Oiltools Bermuda Limited and KMC Oiltools Overseas (M) Limited.

Operating lease commitments:

<b>Future minimum lease rental payable</b>	<b>Due within 1 year</b>	<b>Due within 1 &amp; 5 years</b>	<b>Due after 5 years</b>
Property	3,561	5,272	5,860
Plant and Machinery	867	725	11
Others	385	1,319	215
Total	<u>4,813</u>	<u>7,316</u>	<u>6,086</u>

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B1. Review of performance for the quarter ended 30<sup>th</sup> June 2006**

B1 should be read in conjunction with A8 above.

The group recorded turnover of RM348.9 million for the quarter ended 30<sup>th</sup> June 2006, compared to RM257.6 million for the corresponding quarter in 2005, with approximately 75% of the turnover contributed by its Oilfield Services Division.

The group registered a net profit of RM20.0 million during the quarter against RM12.0 million in the corresponding quarter.

The Oilfield Services Division generated revenue of RM263.1 million for the quarter ended 30<sup>th</sup> June 2006. There was an increase of RM67.3 million as compared to the corresponding quarter for the preceding year, mainly due to the increase in drilling activities.

The Engineering Division recorded a 20% and 52% increase in its revenue and profit as compared to corresponding quarter. The increase was contributed mainly by the Machine Shop operations arising principally from some large orders from customers in the Middle East.

The Energy Logistics Division recorded a 50% increase in its revenue, mainly contributed from the synergy with Scomi Marine Berhad.

**B2. Variation of results against preceding quarter**

The group achieved a turnover of RM348.9 million for the current quarter ended 30<sup>th</sup> June 2006 compared to RM326.5 million in the preceding quarter ended 31<sup>st</sup> March 2006.

The group achieved a net profit of RM20.0 million for the current quarter ended 30<sup>th</sup> June 2006 compared to RM16.1 million in the preceding quarter ended 31<sup>st</sup> March 2006.

In comparison to the preceding quarter, revenue and net profit for the current quarter were higher by 7% and 24% respectively primarily due to growth in all divisions, mainly as a result of the increase in drilling activity.

### **B3. Current year prospects**

The **Oilfield Services Division** is actively participating in bids and tenders as an integrated service provider of drilling waste management and drilling fluids. The main thrust will be to maximise the benefit of the infrastructure and market presence in 35 countries in order to increase market share in drilling fluids. In addition, the group will be aiming to take advantage of the increasing trend towards integrated services to boost the drilling waste management business. The Oilfield Services Division has secured major contracts in Asia as well as in Venezuela for the provision of drilling waste management and for drilling fluids. The growth in the overseas business has been very encouraging. With our worldwide operation servicing various customers, we have broadened our customer base and we have mitigated the risk of relying on a few major customers. The West Africa operations within the Oilfield Services Division entered into a joint venture agreement with Enercon Nigeria Limited to expand its oil country tubular goods business in Nigeria.

The **Engineering Division** via Scomi Engineering Bhd had acquired 51% of MTrans Transportation Systems Sdn Bhd from Kiara Kilau Sdn Bhd, a company with technology capabilities to produce public transportation vehicles such as buses and monorails. The acquisition will enable the division to increase its logistics engineering product range and to extend its market coverage regionally. Furthermore, the engineering division will also be able to increase its fabrication capacity to better facilitate its participation in various projects. The expansion plans for Labuan and Singapore will provide new capacity to fulfill the demand for Machine Shop Services. The commencement of the KTMB workshop in Klang in early August 2006 will contribute positively to the division's overall results.

The **Production Enhancement Division** is currently a small contributor to the group's performance. Nonetheless, this business area is expected to provide the next channel of growth for Scomi Group Bhd. Scomi Group Bhd is currently working together with National Tank Company to provide technology for a gas separation process and has recently been awarded a project for the provision of an Acid Gas Removal System. National Tank Company was incorporated in Delaware, United States of America. It is a public listed company and is principally involved in the design, fabrication and supply of packaged/modular process equipment and a portfolio containing proprietary production equipment technology including the proprietary right to and ownership of the Cynara membrane separation systems for CO<sub>2</sub> separation from natural gas streams. The production chemical aspect of the business deals with the supply of chemicals, which are essential elements in crude oil and gas production. Further, it also supplies chemicals for the protection of oil & gas production facilities against corrosion, scaling and bacteria growth.

The **Energy Logistics Division** has taken on new dimensions with the investment in Scomi Marine Bhd. Scomi Marine Bhd's core businesses are Marine Logistics and Offshore Marine Support Services. Scomi Marine Bhd owns the largest fleet of vessels in South East Asia. Its fleet of 158 vessels comprises utility vessels, anchor handling tugs, barges, tugs, accommodation barges and landing craft. Its marine logistic services business in the coal industry provides inbound and outbound logistics, coal transportation, and port and terminal management services while its offshore marine support services business is in the oil and gas industry provides mainly seismic surveys, rig towing, anchor handling, firefighting, transportations services and offshore accommodation facilities.

The initiatives mentioned above are expected to contribute positively to the earnings of the Group.

#### B4. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Jun-06 RM`000	Preceding Year Quarter 30-Jun-05 RM`000	Current Year Quarter 30-Jun-06 RM`000	Preceding Year Quarter 30-Jun-05 RM`000
Current tax:				
Malaysian income tax	500	681	924	1,398
Foreign tax	4,044	3,485	9,654	6,243
	<u>4,544</u>	<u>4,166</u>	<u>10,578</u>	<u>7,641</u>
Under/(Over) provision of Malaysian income tax in prior years	355	(323)	145	(319)
	<u>4,899</u>	<u>3,843</u>	<u>10,723</u>	<u>7,322</u>
Deferred tax	(17)	340	382	(382)
Total income tax expense	<u>4,882</u>	<u>4,183</u>	<u>11,105</u>	<u>6,940</u>

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows: -

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Jun-06 %	Preceding Year Quarter 30-Jun-05 %	Current Year Quarter 30-Jun-06 %	Preceding Year Quarter 30-Jun-05 %
Malaysian statutory tax rate	28	28	28	28
Tax effects of:				
- income not subject to tax	(5)	(13)	(5)	(9)
- different tax rates in other countries	(5)	9	(1)	1
- under/(over) provision in respect of previous years	1	(2)	-	(4)
- unrecognised tax loss/unabsorbed capital allowance	(5)	(5)	(5)	(4)
- expenses not deductible for tax purposes	8	7	7	5
- share of associate's tax	(6)	-	(3)	-
Effective tax rate	<u>16</u>	<u>24</u>	<u>21</u>	<u>19</u>

## **B5. Unquoted investments and/or properties**

There were no disposals of unquoted investments or properties during the period under review.

## **B6. Quoted and marketable investments**

Details of investments in quoted securities as at the reporting date are as follows:

	<b>RM ` 000</b>
Total investments at cost	10,000
Total investments at market value	<u>10,000</u>

## **B7. Status of corporate proposal**

### **Scomi Group Berhad**

#### **(a) Modification to terms of RCCPS in Scomi Marine Bhd**

On 30<sup>th</sup> September 2005, the Company subscribed for 173,913,043 ordinary shares of RM1.00 each of Scomi Marine Bhd ("SMB") and 160,000,000 redeemable convertible cumulative preference shares ("RCCPS") in conjunction with SMB's fund raising exercise for the acquisition of the marine logistics and offshore support services of Chuan Hup Holdings Limited.

On 25<sup>th</sup> January 2006, SMB proposed and the Company accepted SMB's proposal to modify certain terms of the RCCPS pertaining to, amongst others, the allowance for early conversion of the RCCPS into SMB's shares prior to the initial conversion date of one year from the date of issuance of the RCCPS, ie 30<sup>th</sup> September 2006.

On 21<sup>st</sup> July 2006, the Company and its parties acting in concert ("PAC") have obtained approval from SC for an exemption from the obligation to undertake a mandatory general offer pursuant to Part II of the Malaysian Code of Take-overs and Mergers 1998 for the remaining SMB shares upon conversion of the RCCPS into ordinary shares of RM1.00 each in SMB.

On 24<sup>th</sup> July 2006, the Company converted the RCCPS into 139,130,435 new ordinary shares of RM1.00 in SMB, thus increasing its equity interest in SMB to 42.7%.

#### **(b) Proposed Joint Venture Between KMC Oiltools Bermuda Limited and Enercon Nigeria Limited**

KMC Oiltools Bermuda Limited ("KMCOB"), a 92.5% subsidiary of Kota Minerals & Chemicals Sdn Bhd ("KMCSB") which in turn is a wholly owned subsidiary of the Company, has entered into a Joint Venture Agreement ("JVA") to form a Joint Venture Company ("JVCo") with Enercon Nigeria Limited ("Enercon") with a view to pursue business relating to oil country tubular goods ("OCTG") in Nigeria. The JVCO shall have an authorized share capital of (in Nigerian Naira) N20,000,000 divided into 1,000,000 ordinary shares of N20.00 each and a paid-up share capital of N10,000,000 divided into 500,000 ordinary shares of N20.00 each. KMCOB shall subscribe to 249,500 ordinary shares, to be issued for an aggregate cash consideration of N4,990,000, which shall be equal to 49.9% of the total issued shares of the JVCo and 1,000 ordinary shares will be issued in the name of KMCOB's 60% subsidiary, Wasco Oil Service Company (Nigeria) Limited, to be issued for an aggregate cash consideration of N20,000, which will equal to 0.2% of the total issued shares of the JVCo. Enercon will subscribe for 249,500 ordinary shares, to be issued for an aggregate cash consideration of N4,990,000, which will equal to 49.9% of the total issued shares of the JVCo.



**(c) Proposed Internal Restructuring of the Group, Proposed Refinancing and Proposed Listing of KMC Oiltools Bermuda Limited ("KMCOB") on The Singapore Exchange Securities Trading Limited ("SGX-ST").**

On 9<sup>th</sup> August 2006, the Company announced the followings:

1) Proposed Internal Restructuring and Proposed Refinancing

The Proposed Internal Restructuring involves the restructuring of certain subsidiaries of the Company as follows:

- (a) Proposed transfer of 500,000 ordinary shares of RM1.00 each representing the entire issued and paid-up ordinary share capital in Sosma Sdn Bhd ("Sosma") held by Kota Minerals & Chemicals Sdn Bhd ("KMCSB") to the Company ("Proposed Sosma Transfer");
- (b) Proposed transfer of the following shares in KMCOB held by KMCSB to the Company ("Proposed KMCOB Transfer"):
  - (i) 10,512,364 ordinary shares of USD1.00 each in KMCOB ("KMCOB Ordinary Shares") representing 100% of the issued and paid-up ordinary share capital of KMCOB;
  - (ii) 876,633 "A" preference shares of USD1.00 each in KMCOB ("KMCOB Preference Shares");
  - (iii) 10,000,000 "B" KMCOB Preference Shares; and
  - (iv) 20,740 "C" KMCOB Preference Shares (The above shareholdings include the remaining 793,683 KMCOB Ordinary Shares, 74,917 "A" KMCOB Preference Shares, 943,750 "B" KMCOB Preference Shares and 3,454 "C" KMCOB Preference Shares ("Shares") which are proposed to be acquired from Derrick Corporation ("Derrick"). Pursuant to a put and call agreement between SCOMI and Derrick dated 30 January 2004 (as supplemented by an agreement dated 5 April 2005), SCOMI can acquire the remaining Shares from Derrick in April 2007. However, SCOMI proposes to accelerate the exercise of the option and to acquire the remaining Shares from Derrick as part of the Proposed Internal Restructuring ("Proposed Derrick Acceleration"));
- (c) Proposed transfer of 8,082,000 ordinary shares of RM1.00 each representing the entire ordinary share capital in KMCSB held by SCOMI to KMCOB ("Proposed KMCSB Transfer"); and
- (d) Proposed transfer by KMCSB to KMCOB of the followings:
  - (i) 100,000 ordinary shares of RM1.00 each representing the entire ordinary share capital in OBM Terminal Sdn Bhd ("OBMT") ("Proposed OBMT Transfer");
  - (ii) 51 ordinary shares of RM1.00 each representing 51% of the ordinary share capital in KMC All Star Chemicals Sdn Bhd ("KMCAS") ("Proposed KMCAS Transfer");
  - (iii) 200,000 ordinary shares of RM1.00 each representing the entire ordinary share capital in Kota Barite Sdn Bhd ("KBSB") ("Proposed KBSB Transfer");
  - (iv) 1,230,000 ordinary shares of RM1.00 each representing the entire ordinary share capital in Kota Minerals & Chemicals (Kemaman) Sdn Bhd ("KMCK") ("Proposed KMCK Transfer"); and
  - (v) 1 ordinary share of RM1.00 each representing the entire ordinary share capital in KMC Oiltools Overseas (M) Limited ("KMCOM") ("Proposed KMCOM Transfer")

The Proposed Internal Restructuring is to be undertaken in conjunction with a proposed refinancing of the borrowings of the Group ("Proposed Refinancing"). Further details to the Proposed Internal Restructuring will be made in due course upon the execution of definitive agreements in relation to the Proposed Internal Restructuring.

2) Proposed Listing

Upon completion of the Proposed Internal Restructuring and Proposed Refinancing, the Board of SCOMI proposes to undertake a listing of KMCOB on SGX-ST. At this juncture, the Proposed Listing is envisaged to comprise, amongst others, the following:

- (a) a Singapore and global offering of shares in KMCOB (or via a special purpose vehicle to be incorporated which will hold the interest in KMCOB ("Newco")) by way of public offer to the public in Singapore and placements to professional, institutional and/or other investors in Singapore and overseas (which may include an offer for sale by SCOMI to its shareholders) ("Proposed Public Offering"); and
- (b) the offering will be a combination of new shares offered for subscription and existing shares offered for sale.

The proposed structure of the Proposed Listing, including the issue price and the size of the Proposed Public Offering and the number of new shares in KMCOB/Newco to be issued, is subject to approvals by the relevant authorities/parties and the final approval of the Board of Directors of KMCOB.

**Scomi Engineering Bhd**

**(a) Utilisation of Proceeds from Renounceable Rights Issue**

On 20 January 2006, Scomi Engineering Bhd ("SEB") allotted and issued 57,552,000 new ordinary shares of RM1.00 each at an issue price of RM1.20 per share pursuant to the Right Issue. The cash proceeds from this issue amounted to RM69,062,400.

The proceeds were utilised in the 2<sup>nd</sup> quarter of 2006 as follows:-

	RM '000
Gross proceeds	69,062
Settlement of creditors pursuant to the composite scheme of arrangement	(14,818)
Expenses in relation to the corporate exercise	(3,769)
Working capital for business expansion	(14,843)
Balance as at 30 June 2006	<u>35,632</u>

**(b) Acquisition of MTrans Transportation Systems Sdn Bhd ("MTrans")**

On 28 April 2006, SEB entered into a Conditional Share Sale Agreement ("Conditional SSA") with Kirau Kilau Sdn Bhd ("KKSb") to acquire 13,260,000 ordinary shares of RM1.00 each ("Shares") in MTrans, representing 51% of the issued and paid-up share capital of MTrans, for a total cash purchase consideration of RM30.0 million.

The proposed acquisition of the shares in MTrans was completed on 10 July 2006 with all conditions been satisfied and agreed by both parties. On the same date, the parties executed the Profit Guarantee Agreement and Shareholders Agreement. In the Profit Guarantee Agreement KKS B guaranteed to SEB the audited consolidated profit after tax of MTrans for subsequent 3 financial years ending 30 April 2007, 2008 and 2009 for an aggregate amount of RM27.0 million calculated at an average of RM9.0 million per financial year. Subject to the foregoing, the profit guarantee amount for the first and second guaranteed financial years is RM7.0 million for each financial year.

#### **B8. Group borrowings (Secured)**

The group borrowings as at the end of the reporting period are as follows:

	<b>RM`000</b>
Short term borrowings	167,737
Long term borrowings	<u>885,445</u>
Total	<u>1,053,182</u>

The group borrowings are denominated in the following currencies:

	<b>RM`000</b>
Ringgit Malaysia	548,025
US Dollar	468,062
Sterling Pound	20,020
Canadian Dollar	14,746
Singapore Dollar	87
Others	<u>2,242</u>
Total	<u>1,053,182</u>

#### **B9. Off balance sheet financial instruments**

There were no off balance sheet financial instruments as at the date of this report.

#### **B10. Change in material litigation**

During the period under review, neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or any of its subsidiaries and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries.

#### **B11. Dividends**

The directors recommended the payment of a final dividend of 6% less income tax of 28% in respect of the financial year ended 31<sup>st</sup> December 2005, to the shareholders of the Company who were on the Record of the Depositors at the entitlement date, 28<sup>th</sup> August 2006. The final dividend was approved by the shareholders at the 4<sup>th</sup> Annual General Meeting on 28<sup>th</sup> June 2006. The dividend will be paid on 25<sup>th</sup> September, 2006.

**B12. Earnings per share**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30-Jun-06</b>	<b>30-Jun-05</b>	<b>30-Jun-06</b>	<b>30-Jun-05</b>
<b>Basic earnings per share</b>				
Net profit attributable to shareholders (RM'000)	20,011	12,044	36,081	26,145
Weighted average number of shares in issue (RM'000)	998,665	985,381	996,522	954,321
Basic earnings per share (sen)	2.00	1.22	3.62	2.74
<b>Diluted earnings per share</b>				
Net profit attributable to shareholders (RM`000)	20,011	12,044	36,081	26,145
Weighted average number of shares in issue (RM'000)	998,665	985,381	996,522	954,321
Dilutive effect of unexercised share option (RM'000)	31,749	56,127	31,754	56,203
	1,030,414	1,041,508	1,028,276	1,010,524
Diluted earnings per share (sen)	1.94	1.16	3.51	2.59