

SCOMI GROUP BERHAD
(COMPANY NO: 571212-A)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2007

| | 31-Dec-07 | 31-Dec-06 |
|---|------------------|--------------------|
| | RM'000 | Restated RM'000 |
| | Unaudited | Audited |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 524,417 | 409,469 |
| Intangible assets | 514,828 | 552,888 |
| Investment properties | 1,638 | 1,782 |
| Prepaid lease payments | 5,352 | 4,182 |
| Investment in Associates | 357,286 | 367,818 |
| Investment in Jointly Controlled Entities | 19 | 19 |
| Amount due from jointly controlled entities | - | 5,171 |
| Other Investment | 25,091 | 990 |
| Deferred Tax Assets | 41,332 | 16,729 |
| | 1,469,963 | 1,359,048 |
| Current assets | | |
| Inventories | 320,811 | 294,454 |
| Receivables, deposits and prepayments | 723,193 | 624,273 |
| Tax Recoverable | 13,784 | 7,161 |
| Short-term investment | 700 | 7,750 |
| Short-term deposits, cash and bank balances | 156,746 | 300,787 |
| | 1,215,234 | 1,234,425 |
| Assets of disposal group classified as held for sale | 20,233 | - |
| Total current assets | 1,235,467 | 1,234,425 |
| Total assets | 2,705,430 | 2,593,473 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 101,971 | 100,535 |
| Treasury shares | (18,694) | (3,364) |
| Share premium | 242,929 | 233,823 |
| Other reserves | (80,822) | (45,964) |
| Retained profit | 555,802 | 315,215 |
| | 801,186 | 600,245 |
| Minority interest | 146,903 | 44,622 |
| Total equity | 948,089 | 644,867 |
| Non-current liabilities | | |
| Long term borrowings | 895,767 | 1,084,882 |
| Deferred taxation | 8,551 | 8,149 |
| Retirement benefit obligation | 3,982 | 4,162 |
| Provision for redundancy | - | 2,192 |
| Other Payables | 67,357 | 76,045 |
| Total non-current liabilities | 975,657 | 1,175,430 |
| Current liabilities | | |
| Trade and other payables | 571,655 | 484,279 |
| Short term borrowings | 156,486 | 245,865 |
| Provision for redundancy | 2,502 | 3,304 |
| Taxation | 40,485 | 39,728 |
| Dividend Payable | - | - |
| | 771,128 | 773,176 |
| Liabilities directly associated with the assets of disposal group classified as held for sale | 10,556 | - |
| Total current liabilities | 781,684 | 773,176 |
| Total liabilities | 1,757,341 | 1,948,606 |
| Total equity and liabilities | 2,705,430 | 2,593,473 |
| Net assets per share attributable to equity holders of the parent (RM) | 0.77 | 0.59 |

SCOMI GROUP BERHAD
(COMPANY NO: 571212-A)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2007

| | Note | Individual Quarter | | Cumulative Quarter | |
|--|------|-----------------------------------|---|-----------------------------------|---|
| | | Current Year Quarter | Preceding Year Quarter | Current Year Period Ended | Preceding Year Corresponding Period |
| | | 31-Dec-07 RM '000 Unaudited | 31-Dec-06 Restated RM '000 Audited | 31-Dec-07 RM '000 Unaudited | 31-Dec-06 Restated RM '000 Audited |
| Revenue | A8 | 522,402 | 471,419 | 1,955,530 | 1,577,495 |
| Cost of sales | | <u>(380,693)</u> | <u>(342,844)</u> | <u>(1,399,204)</u> | <u>(1,126,508)</u> |
| Gross Profit | | 141,709 | 128,575 | 556,326 | 450,987 |
| Other income | | 10,333 | 4,832 | 165,926 | 24,564 |
| Operating expenses | | (108,831) | (88,484) | (370,493) | (310,487) |
| Finance costs | | (25,402) | (20,197) | (88,911) | (74,198) |
| Share of profit in jointly controlled entity | | - | (228) | - | (228) |
| Share of profit in associates | | <u>6,367</u> | <u>9,184</u> | <u>23,570</u> | <u>30,084</u> |
| Profit before taxation | A8 | 24,176 | 33,682 | 286,418 | 120,722 |
| Taxation | B5 | <u>14,629</u> | <u>(7,586)</u> | <u>(4,263)</u> | <u>(12,982)</u> |
| Profit for the period | | <u><u>38,805</u></u> | <u><u>26,096</u></u> | <u><u>282,155</u></u> | <u><u>107,740</u></u> |
| Attributable to: | | | | | |
| Equity holders of the parent | | 28,248 | 21,253 | 257,129 | 92,414 |
| Minority interest | | 10,557 | 4,843 | 25,026 | 15,326 |
| | | <u><u>38,805</u></u> | <u><u>26,096</u></u> | <u><u>282,155</u></u> | <u><u>107,740</u></u> |
| Earnings per share | B13 | sen | sen | sen | sen |
| - Basic | | 2.81 | 2.12 | 25.59 | 9.29 |
| - Diluted | | <u>2.72</u> | <u>2.06</u> | <u>24.79</u> | <u>9.08</u> |

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2006)

SCOMI GROUP BERHAD
(COMPANY NO: 571212-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2007

| | Share capital | Share premium | Treasury shares | Exchange Fluctuation Reserve | Share Option Reserve | Hedge Reserve | Retained Profits | Held for Sale * | Total | Minority Interest | Total |
|--|----------------|----------------|-----------------|------------------------------|----------------------|-----------------|------------------|-----------------|----------------|-------------------|----------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1st January 2007 (as previously stated) | 100,535 | 233,823 | (3,364) | (57,881) | 11,917 | - | 307,346 | - | 592,376 | 44,622 | 636,998 |
| Effects on adoption of FRS112 | - | - | - | - | - | - | 7,869 | - | 7,869 | - | 7,869 |
| At 1st January 2007 (as restated) | 100,535 | 233,823 | (3,364) | (57,881) | 11,917 | - | 315,215 | - | 600,245 | 44,622 | 644,867 |
| Foreign exchange difference | - | - | - | (42,217) | - | - | - | - | (42,217) | - | (42,217) |
| Net income/(expense) recognised directly in equity | 100,535 | 233,823 | (3,364) | (100,098) | 11,917 | - | 315,215 | - | 558,028 | 44,622 | 602,650 |
| Net profit for the period | - | - | - | - | - | - | 257,129 | - | 257,129 | 25,026 | 282,155 |
| Dividend for financial year 31st December 2006 - Final | - | - | - | - | - | - | (11,036) | - | (11,036) | - | (11,036) |
| Dividend for financial year 31st December 2007 - Interim | - | - | - | - | - | - | (5,506) | - | (5,506) | - | (5,506) |
| Total recognised income and expense for the period | 100,535 | 233,823 | (3,364) | (100,098) | 11,917 | - | 555,802 | - | 798,615 | 69,648 | 868,263 |
| Share options:- | | | | | | | | | | | |
| - Proceeds from shares issued | 1,436 | 6,950 | - | - | - | - | - | - | 8,386 | - | 8,386 |
| - Value of employees services | - | - | - | - | 6,595 | - | - | - | 6,595 | - | 6,595 |
| - Transfer upon exercise | - | 2,156 | - | - | (3,004) | - | - | - | (848) | 848 | - |
| Shares repurchased | - | - | (15,330) | - | - | - | - | - | (15,330) | - | (15,330) |
| Shares of reserves in subsidiaries and associate | - | - | - | 15,599 | 818 | - | - | - | 16,417 | (1,451) | 14,966 |
| (Dilution)/Accretion of minority interest | - | - | - | - | - | - | - | - | - | 77,858 | 77,858 |
| Cash flow hedge | - | - | - | - | - | (12,649) | - | - | (12,649) | - | (12,649) |
| At 31st December 2007 | 101,971 | 242,929 | (18,694) | (84,499) | 16,326 | (12,649) | 555,802 | - | 801,186 | 146,903 | 948,089 |

* No income or expense have been recognised directly in equity relating to the assets classified as held for sale

| | | | | | | | | | | | |
|--|----------------|----------------|----------------|-----------------|---------------|----------|----------------|----------|----------------|---------------|----------------|
| At 1st January 2006 | 99,208 | 231,748 | - | (13,888) | 6,028 | - | 227,129 | - | 550,225 | 41,136 | 591,361 |
| Foreign exchange difference | - | - | - | (43,993) | - | - | - | - | (43,993) | - | (43,993) |
| Net income/(expense) recognised directly in equity | 99,208 | 231,748 | - | (57,881) | 6,028 | - | 227,129 | - | 506,232 | 41,136 | 547,368 |
| Net profit for the period | - | - | - | - | - | - | 92,414 | - | 92,414 | 15,326 | 107,740 |
| Dividend for financial year 31st December 2005 - Final | - | - | - | - | - | - | (4,328) | - | (4,328) | - | (4,328) |
| Total recognised income and expense for the period | 99,208 | 231,748 | - | (57,881) | 6,028 | - | 315,215 | - | 594,318 | 56,462 | 650,780 |
| Share options:- | | | | | | | | | | | |
| - Proceeds from shares issued | 1,327 | 1,737 | - | - | - | - | - | - | 3,064 | 1,322 | 4,386 |
| - Value of employees services | - | - | - | - | 6,808 | - | - | - | 6,808 | - | 6,808 |
| - Transfer upon exercise | - | 338 | - | - | (637) | - | - | - | (299) | 299 | - |
| Shares repurchased | - | - | (3,364) | - | - | - | - | - | (3,364) | - | (3,364) |
| Acquisition of Subsidiaries | - | - | - | - | - | - | - | - | - | 14,919 | 14,919 |
| Shares of reserves in subsidiaries and associate | - | - | - | - | (282) | - | - | - | (282) | (509) | (791) |
| (Dilution)/Accretion of minority interest | - | - | - | - | - | - | - | - | - | (27,871) | (27,871) |
| At 31st December 2006 | 100,535 | 233,823 | (3,364) | (57,881) | 11,917 | - | 315,215 | - | 600,245 | 44,622 | 644,867 |

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2006)

SCOMI GROUP BERHAD
(COMPANY NO: 571212-A)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2007

| | 12 months ended | |
|---|------------------------|------------------|
| | 31-Dec-07 | 31-Dec-06 |
| | RM'000 | RM'000 |
| Cash flows from operating activities | Unaudited | Audited |
| Profit before taxation | 286,418 | 120,722 |
| Adjustments for: | | |
| Depreciation | 66,131 | 53,983 |
| Amortisation | 1,220 | 7,453 |
| Allowance for doubtful debts and bad debts written off | 1,349 | 3,650 |
| Provision for obsolete stocks | 692 | 1,992 |
| Share option expense | 6,595 | 6,808 |
| Unrealised loss/(gain) on foreign exchange | (8,213) | (16,285) |
| Gain on disposal of property, plant and equipment | (1,330) | (1,347) |
| Property, plant and equipment written off | - | 2 |
| Provision for redundancy | - | 1,939 |
| Share of profit in associates | (23,570) | (30,084) |
| Provision for retirement benefits | - | 1,950 |
| Gain on disposal of an interest in a subsidiary | (140,046) | - |
| Share of profit from jointly controlled entities | - | 228 |
| Interest expense | 88,904 | 71,345 |
| Interest income | (6,131) | (4,009) |
| | 272,019 | 218,347 |
| Operating profit before working capital changes | | |
| Changes in working capital: | | |
| Inventories | (27,049) | (90,624) |
| Trade and other receivables | (122,321) | (185,171) |
| Trade and other payables | 32,506 | 141,337 |
| | 155,155 | 83,889 |
| Cash used in operations | | |
| Tax paid | (51,466) | (16,366) |
| Redundancy paid | - | (5,354) |
| Retirement benefits paid | - | (1,037) |
| | 103,689 | 61,132 |
| Net cash generated from/ (used in) operating activities | 103,689 | 61,132 |
| Cash flows from investing activities | | |
| Acquisition of subsidiaries and minority interests | (31,500) | (71,692) |
| Proceeds from disposal of an interest in a subsidiary | 342,533 | - |
| Purchase of property, plant and equipment | (201,833) | (103,003) |
| Proceeds from disposal of property, plant and equipment | 5,360 | 6,143 |
| Investment in jointly controlled entity | - | (141) |
| Dividend received | 11,739 | 6,184 |
| Increase in other investments and long-term assets | (10,145) | (9,689) |
| Repayment of Other Payables | (25,334) | (4,586) |
| Interest received | 6,131 | 4,009 |
| | 96,951 | (172,775) |
| Net cash generated from/ (used in) investing activities | 96,951 | (172,775) |
| Cash flows from financing activities | | |
| Treasury shares | (15,330) | (3,364) |
| Issue of share capital arising from the exercise of ESOS | 8,386 | 3,063 |
| Issue of ordinary shares of a subsidiary to minority shareholders | 4,416 | 1,325 |
| Proceeds from bank borrowings | 7,833 | 825,133 |
| Repayment of bank borrowings | (258,357) | (472,222) |
| Interest paid on borrowings | (70,076) | (71,365) |
| Increase in Short term Deposit pledged as Security | (5,669) | (4,871) |
| Dividends paid | (16,542) | (4,328) |
| Subsidiary's dividend paid to minority interests | (2,453) | - |
| | (347,792) | 273,371 |
| Net cash (used in)/generated from financing activities | (347,792) | 273,371 |
| Net (decrease)/increase in cash and cash equivalents | (147,152) | 161,728 |
| Cash and cash equivalents at beginning of period | 217,879 | 58,160 |
| Currency translation differences | (13,197) | (2,009) |
| | 57,530 | 217,879 |
| Cash and cash equivalents at end of period | 57,530 | 217,879 |
| Cash and cash equivalents comprise: | | |
| Short term deposits with licensed banks | 40,350 | 196,087 |
| Cash and bank balances | 117,159 | 104,700 |
| Bank overdrafts | (68,203) | (57,037) |
| | 89,306 | 243,750 |
| Less: Cash & bank balances of disposal group held for sale | (763) | - |
| Add: Bank overdraft of disposal group held for sale | 527 | - |
| Less: Short-term deposit pledged as securities | (31,540) | (25,871) |
| | 57,530 | 217,879 |
| | 57,530 | 217,879 |

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2006)