PART A: EXPLANATORY NOTES AS PER FRS 134

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's ("Bursa Malaysia") Listing Requirements and should be read in conjunction with the Company's annual audited financial statements for the year ended 31 December 2009.

The significant accounting policies adopted for the interim financial statements are consistent with those in the audited financial statements for the year ended 31 December 2009 except for the adoption of new standards, amendments to standards and IC Interpretations that are mandatory for the Group for the financial year beginning 1 January 2010.

In the current period ended 31 December 2010, the Group adopted the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretations which are applicable to its financial statements and are relevant to its operations:

FRSs, Amendments to FRSs and Interpretations

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101 (revised)	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 132	Financial Instruments: Presentation
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 2	Share-based payment: Vesting Conditions and Cancellations
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 8	Operating Segments
Amendments to FRS 107	Statement of Cash Flows
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events After the Balance Sheet Date
Amendments to FRS 116	Property, Plant and Equipments
Amendments to FRS 117	Leases
Amendments to FRS 118	Revenue
Amendments to FRS 119	Employee Benefits
Amendments to FRS 120	Accounting for Government Grants
Amendments to FRS 123	Borrowing Costs
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 128	Investments in Associates
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendments to FRS 131	Interest in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

A1. Basis of preparation of interim financial reports (continued)

Other than for the application of FRS 101 (revised), FRS 139, FRS 8 and Amendments to FRS 117, the application of the above FRSs, Amendments to FRSs and Interpretations did not result in any significant changes in the accounting policies and presentations of the financial results of the Group.

FRS 101 (revised), Presentation of Financial Statements
The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity are required to be shown in a statement of comprehensive income which can be presented as a single statement or two statements (comprising the income statement and statement of comprehensive income). The Group has elected to present the statement of comprehensive income in single statement. The adoption of this standard does not have any impact on the financial position and results of the Group.

FRS 139, Financial Instruments: Recognition and Measurement
Prior to the adoption of FRS 139, financial derivatives are recognised on their settlement dates. Outstanding derivatives at the balance sheet date were not recognised. With the adoption of FRS 139, all financial assets and financial liabilities, including derivatives, are recognised at contract dates when, and only when, the Company or any subsidiary becomes a party to the contractual provisions of the instruments.

With the adoption of FRS 139, financial assets and financial liabilities recognised and unrecognised in the prior financial year are classed into the following categories:

	Pre-FRS 139	Post-FRS 139
1	Long-term equity investments	Available-for-sale investments
2	Long-term quoted debt instruments	Held-to-maturity investments
3	Private-debt instruments	Loans and receivables
4	Current investments	Financial assets at fair value through profit or loss
5	Unrecognised derivative assets	Financial assets at fair value through profit or loss
6	Long-term borrowings and bonds	Financial liabilities at amortised cost
7	Unrecognised derivative liabilities	Financial liabilities at fair value through profit or loss

The measurement bases applied to the financial assets and financial liabilities in the prior financial year were changed to conform to the measurement standards of FRS 139 in the current quarter. At initial recognition, all financial assets and financial liabilities are measured at their fair value plus in the case of financial instruments not at fair value though profit or loss, transaction cost directly attributable to the acquisition or issuance of the instruments. Subsequent to their initial recognition, the financial assets and financial liabilities are measured as follows:

	Category	Measurement basis
1	Financial instruments at fair value through profit or loss	At fair value through profit or loss
2	Held-to-maturity investments	At amortised cost effective interest method
3	Loans and receivables	At amortised cost effective interest method
4	Available-for-sale investments	At fair value through other comprehensive income, unless fair value be reliably measured, in which case, they are measured at cost
5	Loans and other financial liabilities	At amortised cost effective interest method

A1. Basis of preparation of interim financial reports (continued)

Financial assets and financial liabilities designated as hedged items and hedging financial derivatives are accounted for using the specified hedge accounting requirements of FRS 139. All financial assets other than those classified as at fair value through profit or loss are subject to impairment test of FRS 139.

In accordance with FRS 139, the recognition, derecognition, measurement and hedge accounting requirements are applied prospectively from 1 January 2010. The effects of the remeasurement on 1 January 2010 of the financial assets and financial liabilities brought forward from the previous financial year are adjusted to the opening retained profits and other opening reserves as disclosed in the statement of changes in equity.

FRS 8, Operating Segments
The Group determined that the operating segments were the same as the business segments previously identified under FRS 114 Segment Reporting. Adoption of this Standard did not have any effect on the financial position or results of the Group.

Amendment to FRS 117, Leases
Prior to the adoption of the Amendment to FRS 117, leasehold lands were treated as operating leases. The considerations paid were classified and presented as prepaid lease payment on the statement of financial position. With the adoption of the Amendment to FRS 117, the classification of a leasehold land as a finance lease or an operating lease is based on the extent to which risks and rewards incident to ownership lie. In making this judgment, the Directors have concluded that lands with an unexpired lease period of 50 years or more are finance lease because the present value of the minimum lease payments is substantially equal to the fair value of the land. Accordingly, the Group has changed the classification of long leasehold lands from operating leases to finance leases in the current quarter. This change in classification has no effect to the profit or loss of the current period ended 31 December 2010 or the comparative prior period. The effect of the reclassification to the comparative of the prior year's statement of financial position is as follows:

31 December 2009	As previously reported RM'000	Reclassification RM'000	As restated RM'000
Prepaid land lease payments	7,969	(3,360)	4,609
Property, plant and equipment	577,425	3,360	580,785

The following revised FRSs, new IC Interpretations and Amendments to FRSs were issued but are not yet effective, and have yet to be adopted by the Group:

FRSs, Amendments to FRSs and Interpretations		**Effective for financial periods beginning on or after**
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations	1 July 2010
FRS 124	Related Party Disclosures	1 January 2012
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 1	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

A1. Basis of preparation of interim financial reports (continued)

FRSs, Amendments to FRSs and Interpretations		Effective for financial periods beginning on or after
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 July 2010
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 132	Classification of Rights Issues	1 March 2010
Amendments to FRS 138	Intangible Assets	1 July 2010
Amendments to FRSs	Improvements to FRSs (2010)	1 January 2011
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011
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	Transfer of Assets from Customers	1 January 2011
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011

IC Interpretations 12 and 15 are not expected to have any impact on the Financial Statements of the Group as they are not relevant to the operations of the Group. The adoption of the other revised FRSs, amendments to FRSs and IC Interpretations is not expected to have a material impact on the financial statements of the Group.

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 cashflows during the current quarter under review.

A5. Material changes in estimates

The Group makes assumptions concerning the future and other sources of estimation uncertainty at the balance sheet date including impairment of intangible assets, depreciation on property, plant and equipment, and deferred tax assets that could arise from unused tax losses and unabsorbed capital allowances.

There were no material changes in estimates reported in the current quarter under review.

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) Share Capital

During the twelve-month period ended 31 December 2010, the issued and paid-up share capital of the Company increased from 1,086,800,574 ordinary shares of RM0.10 each to 1,182,657,772 ordinary shares of RM0.10 each by way of issuance of:

i. 94,501,218 new ordinary shares of RM0.10 each pursuant to the conversion of 378,004,874 ICSLS of RM0.10 each on the basis of RM0.40 per ordinary share.

ii. 1,355,000 new ordinary shares of RM0.10 each pursuant to the exercise of options granted under the ESOS at the option price of RM0.17 per ordinary share.

iii. 980 new ordinary shares of RM0.10 each pursuant to the exercise of 980 Warrants of RM0.10 each at an exercise price of RM0.40 per warrant.

(b) Treasury Shares

There were no repurchase of the Company's shares during the current quarter.

A7. Dividends Paid

No dividends were paid during the current quarter.

A8. Segmental Information

Primary reporting format - business segments

	Oilfield Services RM'000	Transport Solutions RM'000	Production Enhancement RM'000	Energy Logistics RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
2010							
Revenue							
External sales	1,175,924	400,785	39,271	-	24,593	-	1,640,573
Inter-segment sales	-	-	-	-	74,618	(74,618)	-
Total revenue	1,175,924	400,785	39,271	-	99,211	(74,618)	1,640,573
Results							
Segment result	7,332	(10,509)	(4,731)	-	(10,607)	-	(18,515)
Finance income							3,986
Finance cost							(77,656)
Share of result of							
- associated companies	-	-	-	(87,225)	-	-	(87,225)
- jointly controlled entities	-	-	(739)	-	-	-	(739)
Profit before taxation							(180,149)
Taxation							(19,356)
Profit after taxation							(199,505)
2009							
Revenue							
External sales	1,337,273	537,729	55,783	40,450	220	-	1,971,455
Inter-segment sales	55,024	-	-	-	12,848	(67,872)	-
Total revenue	1,392,297	537,729	55,783	40,450	13,068	(67,872)	1,971,455
Results							
Segment result	83,731	75,460	(532)	(2,250)	(24,223)	-	132,186
Finance income							1,235
Finance cost							(76,404)
Share of result of							
- associated companies	-	-	-	(9,898)	-	-	(9,898)
- jointly controlled entities	-	-	3,596	-	-	-	3,596
Profit before taxation							50,715
Taxation							(24,750)
Profit after taxation							25,965

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. Subsequent Events

There were no materials events subsequent to the end of the quarter under review.

A11. Changes in composition of the group

(a) On 17 May 2010, Scomi Group Bhd ("SGB") incorporated a wholly-owned subsidiary known as Scomi Nigeria Pte LTd ("Scomi Nigeria") in Singapore. The initial issued share capital of Scomi Nigeria is S$2.00 comprising of 2 ordinary shares.

(b) On 9 June 2010, SGB completed its acquisition of 10,000 ordinary shares of N20.00 each representing 2.0% equity interest in Oiltools Africa Limited ("OAL") from Scomi Oiltools Bermuda Limited ("SOBL") for a total cash consideration of USD350,000.

(c) On 9 June 2010, Scomi Nigeria completed the following acquisitions:

(i) 490,000 ordinary shares of N20.00 each in OAL representing 98.0% of the entire issued ordinary shares of OAL from Scomi Oiltools (Africa) Limited ("SOAL") for a total cash consideration of USD17,150,000;
(ii) 249,500 ordinary shares ordinary shares of N20.00 each in Titan Tubulars Nigeria Limited ("TITAN") representing 49.9% of the entire issued ordinary shares of TITAN from SOBL for a total cash consideration of USD3,460,000; and
(iii) 1,000 ordinary shares ordinary shares of N20.00 each in TITAN representing 0.2% of the entire issued ordinary shares of TITAN from Wasco Oil Service Company Nigeria Limited for a total cash consideration of USD40,000.

(d) On 30 June 2010, Scomi Engineering Bhd ("SEB"), a subsidiary of the Company, completed its disposal of Scomi OMS Oilfield Holdings Sdn Bhd and Scomi OMS Oilfield Services Pte Ltd (collectively known as the Machine Shop group).

(e) On 19 July 2010, Scomi Engineering Bhd ("SEB"), a subsidiary of the Company, incorporated a wholly owned subsidiary company, Scomi Transit Projects Sdn Bhd ("STP"), with an authorized capital of RM1,000,000 and paid-up capital of RM100,000.

(f) On 2 February 2011, Scomi Energy Sdn Bhd, a wholly owned subsidiary of SGB, completed its disposal of 70,000 ordinary shares of RM1.00 each representing 70% of the ordinary shareholding and 612 irredeemable non-cumulative convertible preference shares of RM1.00 each representing 51% of the preference shareholding in Scomi NTC Sdn Bhd to Cameron Solutions Inc for a total cash consideration of USD3.0 million.

A12. Contingent liabilities

Details of contingent liabilities of the Group at the end of the quarter are as follows:

	RM`000
Bank guarantees given to third party in respect of performance guarantee and importation scheme	100,263
Various claims against subsidiaries	4,394
Share of contingent liabilities in associate	15,071
	119,728

A13. Capital and operating lease commitments

Authorised capital commitments not provided for in the financial statements at the end of the quarter are as follows:

	Approved and contracted for RM`000	Approved but not contracted for RM`000	Total RM`000
Property, plant and equipment	3,590	27,359	30,949
Development expenditure	-	12,532	12,532
Others	108	13,678	13,786
Total	3,698	53,569	57,267

Operating lease commitments:

Future minimum lease rental payable	Due within 1 year RM'000	Due within 1 & 5 years RM'000	Due after 5 years RM'000	Total RM'000
Property	4,269	6,277	647	11,193
Plant and Machinery	848	3,392	2,545	6,785
Others	952	592	-	1,544
Total	6,069	10,261	3,192	19,522

A14. Related Party Transactions

The following are the significant related party transactions:

	4th Quarter ended 31-Dec-10 RM'000	Year -to-date 31-Dec-10 RM'000
Transactions with an associated company		
- management fee charged	74	302
Transactions with jointly controlled entity		
- management fee charged	380	1,589
Transactions with a company connected to a Director		
- Purchase of airline ticketing services	420	3,181
- Share registration fee paid to Symphony	35	332

A15. Disposal Group Held For Sale

On 23 December 2010, a subsidiary of the Company, Scomi Energy Sdn Bhd, had entered into a conditional share sale agreement to dispose its jointly controlled entity, Scomi NTC Sdn Bhd, as further disclosed in note B8.

As at 31 December 2010, the carrying amount of the investment in the jointly controlled entity has been presented separately on the consolidated statement of financial position as a non-current asset classified as held for sale.

The non-current asset classified as held for sale are as follow:

	RM'000
Asset	
Jointly Controlled Entity	4,682

A16. Critical Accounting Estimates and Judgments

Estimates and judgments are continuously evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Assessment of penalties on Mumbai Monorail Project

Scomi Engineering Bhd ("SEB"), a subsidiary of the Company, is a party to a Consortium that was awarded the Mumbai Monorail Project ("Mumbai Project"). Due to unforeseen delays encountered by the Mumbai Project, the Consortium has submitted various claims for extension of time as allowed under the contract terms. The client has on 28th January 2011 notified the Consortium of the client's view that potential penalties are claimable under the terms of the contract. In that same letter, the client acknowledged that the final calculation of penalty is subject to any authorized extension of time for completion.

At the client's invitation, the Consortium has engaged the client in constructive discussions about the penalty and the Consortium's extension of time claims, with both parties giving first priority and doing their utmost to facilitate the continued execution of the project. The Mumbai Project activities and work continues normally with the client approving claims and billings and making payments according to the terms of the contract.

The directors of SEB are of the opinion that based on the terms of the contract, no provision is required in the financial statements as at 31st December 2010 for the potential penalties as claims for extension of time have been submitted which are expected to mitigate the exposure.

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

B1. Review of performance for the quarter ended 31st December 2010

B1 should be read in conjunction with A8 above.

The Group recorded a turnover of RM384.4 million for the current quarter compared to RM483.5 million for the corresponding quarter in 2009. The revenue was mostly generated by the **Oilfield Services Division** and the **Transport Solutions Division**.

The **Oilfield Services Division** generated revenue of RM262.1 million for the current quarter, representing a decrease of RM64.7 million or 20% over RM326.8 million recorded in the corresponding quarter in 2009. The decrease was mainly due to lower sales in Middle East and Western Hemisphere with the exception of encouraging results from Norway. The weakening of USD against most currencies has also substantially impacted the revenue reported for the period.

Revenue from the **Transport Solutions Division** was RM107.2 million. This was RM30.3 million or 22% lower than the revenue in the previous year's corresponding quarter of RM137.5 million mainly due to lost revenue subsequent to the disposal of Machine Shop in June 2010. Excluding the Machine Shop revenue in the corresponding quarter in 2009, the increase for current quarter would have been 3% mainly due to commencement of the KL monorail fleet expansion project and higher Coach sales, partly offset by lower value of work done from its ongoing monorail project.

Net loss for the current quarter was RM31.4 million compared to net loss of RM43.5 million in the corresponding quarter last year. Apart from the abovementioned reasons, the **Oilfield Services** and **Energy Logistics divisions'** performance for the current quarter were also impacted by the depreciation of both USD and Rupee against Ringgit Malaysia, as well as the hyperinflationary adjustments in Venezuela.

B2. Variation of results against preceding quarter

The Group achieved a turnover of RM384.4 million for the current quarter compared to RM367.6 million in the preceding quarter, representing an increase of RM16.8 million or 5%.

Net loss for the current quarter was RM31.4 million against a net loss of RM166.5 million in the preceding quarter mainly due to the **Energy Logistics Division's** reassessment of its assets held for disposal to fair value in the preceding quarter.

B3. Current year prospects

The Group's performance in 2010 continues to be driven by the global economic conditions.

The **Oilfield Services Division**'s performance for the last quarter of the reporting year continued to be driven by Asia and Malaysia. Overall improvements were noted in the Western Hemisphere albeit at a slower pace than anticipated. The outlook for the first half of 2011 is anticipated to be positive as drilling activities especially in Asia is expected to increase. The trend is expected to pick up in the second half of the year. The contribution from the Western Hemisphere is expected to remain stable with the US market anticipated to recover as overall rig count improves. The Division maintains a positive outlook for the Eastern Hemisphere and the focus will be on cost management and increasing efficiencies to improve its business performance

The **Transport Solutions Division** will continuously pursue opportunities in monorail projects especially in Malaysia, Brazil and India to capitalise on the increasing demand and opportunities for infrastructure development in these countries. The Division continues to focus on project execution and implement measures to reduce cost and increase efficiency. The Division expects the performance to improve in 2011 with contribution from new monorail projects.

The **Energy Logistics Division** remains cautiously optimistic that the outlook on the energy industry will remain positive in the next 12 months and on the back of positive economic outlook in 2011. Increasing energy demand will translate into the need for exploration, development and production activities and seaborne transportation of coal. This will augur well for the demand for offshore supply vessels and seaborne coal logistics solutions.

The significant one-off adjustments in 2010, specifically the reassessment of the Division's assets held for disposal to fair value are not expected to recur in 2011.

B4. Variance of actual and revenue or profit estimate

The Company has not announced or disclosed any revenue or profit estimate, forecast, projection or internal targets for the group for the period under review.

B5. Taxation

	Individual Quarter		**Cumulative Quarter**	
	Current Year Quarter 31-Dec-10 RM`000	**Preceding Year Quarter 31-Dec-09 RM`000**	**Current Year Quarter 31-Dec-10 RM`000**	**Preceding Year Quarter 31-Dec-09 RM`000**
Current tax:				
Malaysian income tax	274	1,196	920	3,515
Foreign tax	13,928	5,482	37,323	29,437
	14,202	6,678	38,243	32,952
Under/(Over)provision of income tax in prior years	2,010	1,739	(9,206)	1,580
	16,212	8,417	29,037	34,532
Deferred tax	(2,643)	(12,854)	(9,681)	(9,782)
Total income tax expense	13,569	(4,437)	19,356	24,750

Domestic current income tax is calculated at the statutory tax rate of 25% (2009: 25%) of the taxable profit for the year. Taxation for the other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

B5. Taxation (continued)

The effective tax rate of the Group for the current quarter was lower mainly due:-

i. non-deductibility of certain expenses for tax purposes; and

ii. losses in subsidiaries and associate which were not available for tax relief.

B6. Unquoted investments and/or properties

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

B7. Quoted and marketable investments

(a) Details of purchases and disposals of quoted securities are as follows:

	Individual Quarter		**Cumulative Quarter**	
	31-Dec-10 RM'000	**31-Dec-09 RM'000**	**31-Dec-10 RM'000**	**31-Dec-09 RM'000**
Purchases (at cost)	848	-	1,389	-
Sale proceeds	-	-	-	(1,500)
Gain/(loss) on disposal	-	-	-	-

(b) Details of investments as at the reporting date are as follows:

	RM`000
Total investments at cost	3,983
Total investments at carrying value	1,516
Total investments at market value	1,516

B8. Status of corporate proposals

On 23 December 2010, the Board of Directors of SGB announced that Scomi Energy, a wholly-owned subsidiary of SGB, entered into a conditional share purchase agreement with Cameron Solutions Inc ("Cameron") for the disposal of 70,000 ordinary shares of RM1.00 each representing 70% of the ordinary shareholding and 612 irredeemable non-cumulative convertible preference shares of RM1.00 each representing 51% of the preference shareholding in Scomi NTC Sdn Bhd to Cameron for a total cash consideration of USD3.0 million ("Proposed Disposal of Scomi NTC").

The Proposed Disposal of Scomi NTC was completed on 2 February 2011.

B9. Group borrowings and debt securities

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

	Current RM'000	Non-current RM'000	Total RM'000
Borrowings			
Secured	466,754	611,760	1,078,514
Debt securities			
Secured	3,382	3,815	7,197
Unsecured	33	41	74
	470,169	615,616	1,085,785

The group borrowings and debt securities are denominated in the following currencies:

	RM`000
Ringgit Malaysia	889,044
US Dollar	131,560
Sterling Pound	25,046
Indian Rupee	37,258
Others	2,877
Total	1,085,785

B10. Derivative financial instruments

Summary of outstanding derivatives as at 31 December 2010 are as follows:

Type of derivatives	Contract/Notional value RM'000	Fair value RM'000
Cross Currency Interest Rate Swaps (CCIRS)		
- Less than 1 year	75,000	6,077
- 1 year to 3 years	222,000	12,876
- More than 3 years	166,500	(5,850)
Forward foreign exchange contracts		
- Less than 1 year	63,805	763

B11. Change in material litigation

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material adverse 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.

B12. Proposed Dividend

No dividend has been declared for the current quarter under review.

B13. Earnings per share

	Individual Quarter		Cumulative Quarter	
	31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09
Basic earnings per share				
Net profit attributable to shareholders (RM'000)	(31,437)	(43,463)	(180,734)	9,875
Weighted average number of shares ('000)	1,392,113	1,027,041	1,371,255	1,025,795
Basic earnings per share (sen)	(2.26)	(4.23)	(13.18)	0.96
Diluted earnings per share				
Net profit attributable to shareholders (RM'000)	(31,437)	(43,463)	(180,734)	9,875
Weighted average number of shares ('000)	1,392,113	1,027,041	1,371,255	1,025,795
Dilutive effect of unexercised share option and warrants (RM'000)	16,003	26,854	16,004	27,853
	1,408,116	1,053,895	1,387,259	1,053,648
Diluted earnings per share (sen)	(2.23)	(4.12)	(13.03)	0.94

B14. Realised and Unrealised Profits/Losses Disclosure

The retained profits as at 31 December 2010 and 30 September 2010 is analysed as follows:

	As at 31-Dec-10 RM'000	As at 30-Sept-10 RM'000
Total retained profits/(accumulated losses) of company and its subsidiaries:		
- Realised	658,844	725,062
- Unrealised	50,285	77,193
	709,129	802,255
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	(35,109)	(39,035)
- Unrealised	(4,893)	(2,407)
Total share of retained profits/(accumulated losses) from jointly controlled entities:		
- Realised	4,713	3,119
- Unrealised	(144)	(65)
	673,696	763,867
Less: Consolidation adjustments	(194,351)	(253,086)
Total group retained profits as per consolidated accounts	479,345	510,781

B15. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 February 2011.