

**SCOMI GROUP BHD**  
(COMPANY NO: 571212-A)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2010**

	Note	Current Quarter 3 months ended 31 December		Cumulative 12 months ended 31 December	
		2010 RM '000	2009 RM '000	2010 RM '000	2009 RM '000
<b>Revenue</b>	A8	<b>384,369</b>	<b>483,553</b>	<b>1,640,573</b>	<b>1,971,455</b>
Cost of sales		(306,839)	(389,312)	(1,258,620)	(1,481,724)
Gross Profit		<b>77,530</b>	<b>94,241</b>	<b>381,953</b>	<b>489,731</b>
Other income/(expenses)		(42,951)	28	(27,076)	878
Operating expenses		(59,247)	(89,917)	(369,406)	(357,188)
Finance costs		(18,746)	(18,389)	(77,656)	(76,404)
Share of results of jointly controlled entities		1,516	310	(739)	3,596
Share of results of associates		1,440	(35,395)	(87,225)	(9,898)
<b>Profit before taxation</b>	A8	<b>(40,458)</b>	<b>(49,122)</b>	<b>(180,149)</b>	<b>50,715</b>
Taxation	B5	(13,569)	4,437	(19,356)	(24,750)
<b>Profit for the period</b>		<b>(54,027)</b>	<b>(44,685)</b>	<b>(199,505)</b>	<b>25,965</b>
<b>Other Comprehensive Income:</b>					
Exchange differences on translation of foreign operations		9,959	9,033	(13,753)	(11,159)
Available-for-sale financial assets		(23)	-	(80)	-
Cash flow hedges		13,887	13,217	(15,360)	14,051
Share of other comprehensive income of associates		5,805	(2,956)	(21,028)	(4,693)
<b>Other Comprehensive Income net of tax</b>		<b>29,628</b>	<b>19,294</b>	<b>(50,221)</b>	<b>(1,801)</b>
<b>Total Comprehensive Income for the period</b>		<b>(24,399)</b>	<b>(25,391)</b>	<b>(249,726)</b>	<b>24,164</b>
Profit attributable to:					
Equity holders of the parent		(31,437)	(43,463)	(180,734)	9,875
Minority interest		(22,590)	(1,222)	(18,771)	16,090
		<b>(54,027)</b>	<b>(44,685)</b>	<b>(199,505)</b>	<b>25,965</b>
Total comprehensive income attributable to:					
Equity holders of the parent		(8,286)	(29,516)	(224,621)	8,224
Minority interest		(16,113)	4,125	(25,105)	15,940
		<b>(24,399)</b>	<b>(25,391)</b>	<b>(249,726)</b>	<b>24,164</b>
Earnings per share	B13	sen	sen	sen	sen
- Basic		(2.26)	(4.23)	(13.18)	0.96
- Diluted		(2.23)	(4.12)	(13.03)	0.94

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

**SCOMI GROUP BHD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2010**

	Unaudited	Audited
	31-Dec-10	31-Dec-09
	RM'000	Restated RM'000
ASSETS	Note	
<b>Non-current assets</b>		
Property, plant and equipment	A9	417,699
Intangible assets		382,449
Investment properties		1,213
Prepaid lease payments		241
Investment in Associates		268,859
Investment in Jointly Controlled Entities		-
Available-for-sale investments		1,286
Deferred Tax Assets		86,268
Financial asset at fair value		12,877
		<b>1,170,892</b>
<b>Current assets</b>		
Inventories		202,281
Receivables, deposits and prepayments		851,450
Tax Recoverable		40,761
Financial asset at fair value		6,840
Short-term deposits, cash and bank balances		172,647
		<b>1,273,979</b>
Non-current asset classified as held for sale		4,682
		<b>1,278,661</b>
<b>Total current assets</b>		<b>1,475,650</b>
<b>Total assets</b>		<b>2,449,553</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the company</b>		
Share capital		118,265
Treasury shares		(18,696)
Share premium		275,927
Other reserves		(18,814)
Retained profit		479,345
		<b>836,027</b>
<b>Minority interest</b>		<b>127,421</b>
<b>Total equity</b>		<b>963,448</b>
<b>Non-current liabilities</b>		
Financial liabilities at amortised cost	B9	611,760
Deferred government grant		1,439
Deferred taxation		5,977
Retirement benefit obligation		3,925
Irredeemable Convertible Secured Loan Stocks ("ICLS")	B9	3,815
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	B9	41
Financial liabilities at fair value		5,851
		<b>632,808</b>
<b>Total non-current liabilities</b>		<b>821,174</b>
<b>Current liabilities</b>		
Trade and other payables		352,051
Short term borrowings	B9	466,754
Provision for redundancy		520
Retirement benefit obligation		-
Taxation		28,989
Deferred government grant		1,568
ICLS	B9	3,382
ICULS	B9	33
Financial liabilities at fair value		-
		<b>853,297</b>
<b>Total current liabilities</b>		<b>1,034,426</b>
<b>Total liabilities</b>		<b>1,486,105</b>
<b>Total equity and liabilities</b>		<b>2,449,553</b>
<b>Net assets per share attributable to equity holders of the parent (RM)</b>		
		<b>0.69</b>
		<b>0.96</b>

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

**SCOMI GROUP BHD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2010**

	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Exchange fluctuation reserve RM'000	Share option reserve RM'000	Hedge reserve RM'000	Warrant reserve RM'000	Available for sale RM'000	ICSLs RM'000	ICULS RM'000	Retained profits RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
<b>At 1 January 2010 (as previously stated)</b>	108,680	256,641	(18,696)	(82,655)	21,548	(6,710)	32,337	-	88,484	-	664,994	1,064,623	172,814	1,237,437
Effects of applying FRS 139	-	-	-	-	-	(2,144)	-	-	-	-	7,332	5,188	(238)	4,950
At 1 January 2010 (as restated)	108,680	256,641	(18,696)	(82,655)	21,548	(8,854)	32,337	-	88,484	-	672,326	1,069,811	172,576	1,242,387
Total comprehensive income for the period	-	-	-	(33,524)	-	(10,308)	-	(56)	-	-	(180,734)	(224,622)	(25,105)	(249,727)
Shares of reserves in subsidiaries and associate	-	-	-	-	11	-	-	-	-	-	-	11	(236)	(225)
Share options:														
- proceeds from shares issued	135	95	-	-	-	-	-	-	-	-	-	230	-	230
- value of employees services	-	-	-	-	2,117	-	-	-	-	-	-	2,117	-	2,117
- transfer upon exercise	-	-	-	-	(910)	-	-	-	-	-	-	(910)	910	-
Issue of ICULS	-	-	-	-	-	-	-	-	-	6,020	-	6,020	-	6,020
Conversion of ICSLS	9,450	19,191	-	-	-	-	-	-	(26,363)	-	-	2,278	-	2,278
Conversion of ICULS	-	-	-	-	-	-	-	-	-	(4,803)	-	(4,803)	-	(4,803)
Dilution of interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	9,788	9,788
Disposal of subsidiaries	-	-	-	-	(1,858)	-	-	-	-	-	(12,247)	(14,105)	(252)	(14,357)
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	(30,260)	(30,260)
<b>At 31 December 2010</b>	<b>118,265</b>	<b>275,927</b>	<b>(18,696)</b>	<b>(116,179)</b>	<b>20,908</b>	<b>(19,162)</b>	<b>32,337</b>	<b>(56)</b>	<b>62,121</b>	<b>1,217</b>	<b>479,345</b>	<b>836,027</b>	<b>127,421</b>	<b>963,448</b>
<b>At 1 January 2009</b>	102,184	243,820	(18,695)	(70,654)	18,870	(17,400)	-	-	-	-	660,095	918,220	162,442	1,080,662
Total comprehensive income for the period	-	-	-	(12,341)	-	10,690	-	-	-	-	9,875	8,224	15,940	24,164
Share of reserves in subsidiaries & associate	-	-	-	-	711	-	-	-	-	-	-	711	350	1,061
Share options:														
- Proceeds from shares issued	319	223	-	-	-	-	-	-	-	-	-	542	-	542
- Value of employees services	-	-	-	-	2,142	-	-	-	-	-	-	2,142	-	2,142
- Transfer upon exercise	-	-	-	-	(97)	-	-	-	-	-	-	(97)	97	-
Issue of ICSLS	-	-	-	-	-	-	-	-	138,054	-	-	138,054	-	138,054
Conversion of ICSLS	6,177	12,598	-	-	-	-	-	-	(17,233)	-	-	1,542	-	1,542
Issue of warrants	-	-	-	-	-	-	32,337	-	(32,337)	-	-	-	-	-
Purchase of Treasury shares	-	-	(1)	-	-	-	-	-	-	-	-	(1)	-	(1)
Dilution of interest in subsidiaries due to share options exercised	-	-	-	-	-	-	-	-	-	-	-	-	483	483
Other dilution (net) of interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	2,115	2,115
Disposal of subsidiaries	-	-	-	340	(78)	-	-	-	-	-	75	337	(4,261)	(3,924)
Dividend	-	-	-	-	-	-	-	-	-	-	(5,051)	(5,051)	(4,352)	(9,403)
<b>At 31 December 2009</b>	<b>108,680</b>	<b>256,641</b>	<b>(18,696)</b>	<b>(82,655)</b>	<b>21,548</b>	<b>(6,710)</b>	<b>32,337</b>	<b>-</b>	<b>88,484</b>	<b>-</b>	<b>664,994</b>	<b>1,064,623</b>	<b>172,814</b>	<b>1,237,437</b>

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**SCOMI GROUP BHD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2010**

	12 months ended	
	31-Dec-10 RM'000	31-Dec-09 RM'000
<b>Cash flows from operating activities</b>		
(Loss)/Profit before taxation	(180,149)	50,715
Adjustments for non-cash items	268,397	156,737
Operating profit before working capital changes	<b>88,248</b>	<b>207,452</b>
Changes in working capital:		
Inventories	34,822	33,380
Trade and other receivables	(115,220)	(43,458)
Trade and other payables	(103,199)	(4,188)
Cash generated from operations	(95,349)	193,186
Tax paid	(52,242)	(43,785)
<b>Net cash generated from operating activities</b>	<b>(147,591)</b>	<b>149,401</b>
<b>Cash flows from investing activities</b>		
Additional investment in subsidiaries	-	(382)
Purchase of property, plant and equipment	(29,605)	(49,981)
Proceeds from disposal of property, plant and equipment	5,794	10,362
Net cash inflow/(outflow) from disposal of subsidiaries companies	300,092	(720)
(Increase)/decrease in other investments and long-term assets	(848)	1,500
Addition to intangible assets	(14,533)	(26,275)
Repayment of other payables	-	(2,601)
Dividend received	-	2,348
Interest received	3,986	1,235
<b>Net cash used in investing activities</b>	<b>264,886</b>	<b>(64,514)</b>
<b>Cash flows from financing activities</b>		
Treasury shares	-	(1)
Issue of shares arising from the exercise of ESOS	230	542
Subsidiary's share issuance from ESOS and ICULS exercise	4,547	483
Proceed from ICCLS	-	151,580
Proceed from ICULS	6,570	-
Proceeds from bank borrowings	109,675	1,802
Repayment of bank borrowings	(260,748)	(10,930)
Interest paid on borrowings	(84,893)	(56,673)
(Increase)/Decrease in short term deposit pledged as security	19,233	(27,864)
Dividends paid to shareholders	-	(5,051)
Dividend paid to minority shareholders of subsidiaries	(30,260)	(4,352)
<b>Net cash generated from financing activities</b>	<b>(235,646)</b>	<b>49,536</b>
<b>Net decrease in cash and cash equivalents</b>	(118,351)	134,423
<b>Cash and cash equivalents at beginning of period</b>	157,121	23,387
Currency translation differences	(12,320)	(689)
<b>Cash and cash equivalents at end of period</b>	<b>26,450</b>	<b>157,121</b>
<b>Cash and cash equivalents comprise:</b>		
Short term deposits with licensed banks	38,307	105,728
Cash and bank balances	134,339	207,395
Bank overdrafts	(114,087)	(104,660)
	<b>58,559</b>	<b>208,463</b>
Cash and cash equivalents classified as held for sale	-	-
Less: Short-term deposit pledged as securities	(32,109)	(51,342)
	<b>26,450</b>	<b>157,121</b>

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