

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 2010.

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 2010 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 2011.

In the current period ended 31 December 2011, 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 1 | First-time Adoption of Financial Reporting Standards |
| FRS 3 | Business Combinations (Revised) |
| FRS 127 | Consolidated and Separate Financial Statements |
| Amendments to FRS 1 | Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters and Additional Exemptions for First-time Adopters |
| Amendments to FRS 2 | Share-based Payment: Group Cash-settled Share-based payment transactions |
| Amendments to FRS 5 | Non-current Assets Held for Sale and Discontinued Operations |
| Amendments to FRS 7 | Improving Disclosures about Financial Instruments |
| Amendments to FRS 132 | Financial Instruments: Presentation |
| Amendments to FRS 138 | Intangible Assets |
| IC Interpretation 4 | Determining Whether an Arrangement Contains a Lease |
| IC Interpretation 16 | Hedges of a Net Investment in a Foreign Operation |
| IC Interpretation 17 | Distributions of Non-cash Assets to Owners |
| IC Interpretation 18 | Transfers of Assets from Customers |
| Amendments to IC Interpretation 9 | Reassessment of Embedded Derivatives |
| Improvements to FRSs (2010) | |

Adoption of the above FRSs, Amendments to FRSs and IC Interpretations did not result in any significant changes in the accounting policies and presentations of the financial results of the Group, other than the disclosures under the Amendments to FRS 7 which will affect the 2011 annual financial statements.

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

Convergence of the FRSs with the International Financial Reporting Standards

On 19 November 2011, the MASB issued the new Malaysian Financial Reporting Standards ("MFRS") framework, consisting of accounting standards which are in line with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). This MFRS framework is effective for annual periods beginning on or after 1 January 2012. As at 31 December 2011, all the FRSs issued under the existing FRS framework are the same as the MFRSs issued under the MFRS framework, except for differences in relation to the transitional provisions as well as differences in effective dates contained in certain of the existing FRSs.

The Group expects to be in a position to fully comply with the requirements of the MFRS framework for the financial year ending 31 December 2012.

A2. Prior Year Adjustment

The prior year adjustment is due to the correction of an omission in respect of accounting for a put option relating to the non-controlling interest in Scomi Oilfield Limited, a subsidiary of SGB, which was not recognised in the financial statements in the prior financial years. The Shareholders Agreement dated 5 October 2007 between SGB, Standard Chartered Private Equity Limited (SCPEL/ Investor) and SOL ("Scomi Oilfield Limited") granted the Investor with the right to sell its shareholding in SOL to SGB or SOL ("Put Option") upon the commencement of the Put Option Period. The Put Option Period is defined to mean the period commencing on the earlier of (a) the Put Option Value Date or (b) the date on which a change of control in relation to SGB occurs. The Put Option Value Date is defined to refer to the date on which the Put Option Purchase Price has been determined following the joint appointment by SGB, the Investor and SOL of an Approved Bank to determine the fair market value of the Investor's shares in SOL. The Investor has not exercised the Put Option as of the date of this announcement. At this point in time, no Approved Bank has been appointed to determine the fair market value. In addition, there has been no change of control in SGB since the inception of the Shareholders Agreement to this point in time.

Noting the conditions attached to the Put Option, legal advice was sought in relation to the commencement of the respective obligations of SGB relating to the Put Option. The Company wishes to inform that it has consulted with two external legal firms on this matter which have provided the Company their opinion as summarised below:

Opinion 1: Notwithstanding that the grant of the Put Option arose at the time of execution of the Shareholders Agreement, such an obligation becomes operative and enforceable only upon commencement of the Put Option Period following the joint appointment of an Approved Bank.

Opinion 2: The grant of the Put Options will be deemed to have been made on a Put Option Value Date or specifically, the date the Put Option Purchase Price i.e. the Fair Market Value of the shares is determined by an Approved Bank.

FRS 132: Financial Instruments: Presentation requires that where a contract that contains an obligation for an entity to purchase its own equity instruments for cash or another financial asset, such an obligation gives rise to a financial liability. The entity concerned needs to record this liability at the present value of the redemption amount at the point in time the contractual obligation arises.

The Board, having deliberated the matter is of the opinion that the Company should restate its prior year financial statements to account for the financial obligation arising from the Put Option

A2. Correction of error in prior period (continued)

The effect of the restatement of the financial statements are summarised below.

| | 1-Jan-2010 As previously stated RM'000 | FRS108 RM'000 | 1-Jan-2010 As restated RM'000 |
|--|---|-------------------------|---|
| <u>Statement of Financial Position</u> | | | |
| Other reserves | (53,004) | 258,286 | 205,282 |
| Retained earnings | (664,994) | (113,900) | (778,894) |
| Payables | <u>(495,779)</u> | <u>(144,386)</u> | <u>(640,165)</u> |
| | 31-Dec-2010 As previously stated RM'000 | FRS108 RM'000 | 31-Dec-2010 As restated RM'000 |
| <u>Statement of Comprehensive Income</u> | | | |
| Finance costs | 77,874 | (11,730) | 66,144 |
| <u>Statement of Financial Position</u> | | | |
| Other reserves | (6,694) | 258,286 | 251,592 |
| Retained earnings | (477,017) | (113,900) | (590,917) |
| Payables | <u>(336,329)</u> | <u>(132,656)</u> | <u>(468,985)</u> |

A3. Qualification of financial statements

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

A4. Seasonal and cyclical factors

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

A5. 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 except as disclosed in note B12.

A6. 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 was no material changes in estimates reported in the current quarter under review.

A7. 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 2011, the issued and paid-up share capital of the Company increased from 1,182,657,772 ordinary shares of RM0.10 each to 1,187,687,647 ordinary shares of RM0.10 each by way of issuance of:

- i. 3,904,875 new ordinary shares of RM0.10 each pursuant to the conversion of 15,619,500 ICCLS of RM0.10 each on the basis of RM0.40 per ordinary share.
- ii. 1,125,000 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.

(b) Treasury Shares

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

(c) Breaches of loan covenants

At reporting date, the Group has not complied with the bond covenant ratio in relation to the RM250 million MTN notes. The Group has briefed the bondholders on the non-compliance and is currently in the process of obtaining the waiver on the covenant ratio in a meeting which is expected to be held on 9 March 2012.

A subsidiary of the Group was also unable to fulfil a loan covenant ratio during the financial year resulting in the reclassification of long term loans from non-current liabilities to current liabilities. The subsidiary has applied to the bank to obtain indulgence and is awaiting the bank's response.

A8. Dividends Paid

No dividends were paid during the current quarter.

A9. Segmental Information

Primary reporting format - business segments

| | Oilfield Services RM'000 | Transport Solutions RM'000 | Energy Logistics RM'000 | Investment Holding RM'000 | Elimination RM'000 | Group RM'000 |
|---|--------------------------------|----------------------------------|-------------------------------|---------------------------------|-----------------------|-----------------|
| 2011 | | | | | | |
| <u>Revenue from continuing operations</u> | | | | | | |
| External sales | 1,133,585 | 303,653 | - | 2,143 | - | 1,439,381 |
| Inter-segment sales | - | - | - | 33,369 | (33,369) | - |
| Total revenue from continuing operations | 1,133,585 | 303,653 | - | 35,512 | (33,369) | 1,439,381 |
| Revenue from discontinued operations | 102,611 | - | - | - | - | 102,611 |
| Total revenue | 1,236,196 | 303,653 | - | 35,512 | (33,369) | 1,541,992 |
| <u>Results</u> | | | | | | |
| Segment result from continuing operations | 70,890 | (63,970) | - | (10,488) | - | (3,568) |
| Segment result from discontinued operations | (127,653) | - | - | - | - | (127,653) |
| Impairment of investment in associate | | | | | | (6,522) |
| Finance income | | | | | | 2,359 |
| Finance cost | | | | | | (51,706) |
| Share of result of | | | | | | |
| - associated companies | - | - | (51,308) | - | - | (51,308) |
| - jointly controlled entities | (439) | - | - | - | - | (439) |
| Profit before taxation | | | | | | (238,837) |
| Taxation | | | | | | (49,658) |
| Profit after taxation | | | | | | (288,495) |
| 2010 | | | | | | |
| <u>Revenue</u> | | | | | | |
| External sales | 1,119,602 | 400,785 | - | 1,548 | - | 1,521,935 |
| Inter-segment sales | - | - | - | 74,961 | (74,961) | - |
| Total revenue from continuing operations | 1,119,602 | 400,785 | - | 76,509 | (74,961) | 1,521,935 |
| Revenue from discontinued operations | 120,069 | - | - | - | - | 120,069 |
| Total revenue | 1,239,671 | 400,785 | - | 76,509 | (74,961) | 1,642,004 |
| <u>Results</u> | | | | | | |
| Segment result from continuing operations | 8,499 | (10,620) | - | (18,864) | - | (20,985) |
| Segment result from discontinued operations | (3,269) | | | | | (3,269) |
| Finance income | | | | | | 3,895 |
| Finance cost | | | | | | (64,355) |
| Share of result of | | | | | | |
| - associated companies | - | - | (87,225) | - | - | (87,225) |
| - jointly controlled entities | (739) | - | - | - | - | (739) |
| Profit before taxation | | | | | | (172,678) |
| Taxation | | | | | | (20,209) |
| Profit after taxation | | | | | | (192,887) |

A10. 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.

A11. Subsequent Events

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

A12. Changes in composition of the group

- (a) On 12 July 2011, Scomi Engineering Bhd acquired the entire issued and paid-up capital of Scomi Transit Projects Brazil Sdn Bhd ("Scomi Transit Projects Brazil") and Scomi Transit Projects Brazil (Sao Paulo) Sdn Bhd ("Scomi Transit Projects Brazil (Sao Paulo)") for a cash consideration of RM2.00 respectively.

The authorised share capital of Scomi Transit Projects Brazil and Scomi Transit Projects Brazil (Sao Paulo) is RM1,000,000.00 comprising of 1,000,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up.

- (b) On 7 August 2011, Scomi Oiltools (S) Pte Ltd, a subsidiary of the Company, completed the following acquisitions:
- (i) Acquisition of 14,630 Priority Shares of Indonesia Rupiah ("IDR") 50,000.00 each representing 95.0% equity interest in PT Inti Jatam Pura ("IJP") from PT Iroda Mitra Corporation for a total cash consideration of USD0.50; and
 - (ii) Acquisition of 14,630 Ordinary Shares of IDR50,000.00 each representing 95.0% equity interest in PT Multi Jaya Persada ("MJP") from PT Iroda Mitra Corporation for a total cash consideration of USD0.50.
- (c) On 18 August 2011, Scomi Engineering Bhd ("SEB") and its subsidiary Scomi Rail Bhd ("SRB") acquired the entire issued stock capital of Urban Transit Servicos Do Brasil LTDA, a Brazilian company, for a cash consideration of USD6,000.

The stock capital of Urban Transit SErvcos Do Brasil LTDA is R\$320,000.00, (approximately RM598,751) comprising of 320,000 quotas of R\$1.00 each, distributed follows:

- (i) SEB holds 319,999 quotas, with a total par value of R\$319,999.00 (approximately RM598,749); and
 - (ii) SRB holds 1 quota, with par value of R\$1.00 (approximately RM1.87).
- (d) With effect from 23 December 2011, Scomi Oiltools (NZ) Pty Limited, a wholly-owned subsidiary of Scomi Oiltools Bermuda Limited, being a wholly-owned subsidiary of Scomi Oilfield Limited and which in turn is a subsidiary of SCOMI, has been struck off from the Register of the New Zealand Companies Office, pursuant to Section 318(1)(d) of the New Zealand Companies Act 1993.

A13. 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 given by subsidiaries | 122,839 |
| Various legal claims of subsidiaries | 3,427 |
| Share of contingent liabilities in associate | 6,106 |
| | <u>132,372</u> |

A14. 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 | 27,513 | 10,599 | 38,112 |
| Development expenditure | - | 3,612 | 3,612 |
| Others | - | 1,926 | 1,926 |
| Total | 27,513 | 16,137 | 43,650 |

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 | 7,864 | 4,344 | 293 | 12,501 |
| Plant and Machinery | 912 | 3,648 | 3,509 | 8,069 |
| Others | 693 | 610 | 271 | 1,574 |
| Total | 9,469 | 8,602 | 4,073 | 22,144 |

A15. Related Party Transactions

The following are the significant related party transactions:

| | 4th Quarter ended 31-Dec-11 RM'000 | Year -to-date 31-Dec-11 RM'000 |
|--|---|---|
| <i>Transactions with an associated company</i> | | |
| - management fee charged | 81 | 326 |
| <i>Transactions with jointly controlled entity</i> | | |
| - management fee charged | - | 125 |
| <i>Transactions with a company connected to a Director</i> | | |
| - Purchase of airline ticketing services | 444 | 2,607 |
| - Share registration fee paid to Symphony | 110 | 224 |

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

B1. Review of performance for the quarter ended 31st December 2011

The Group recorded revenues of RM412.9 million for the current quarter compared to corresponding quarter of RM 353.7 million and preceding quarter of RM378.7 million. The increase was mainly attributable by Oilfield Services which registered good performance in Malaysia through higher rig activity as well as better results from its operations in Nigeria.

However, mainly due to impairment losses at both Oilfield Services and Energy Logistics as well as cost provisions, the Group recorded a Net Loss of RM242.3 million for Q4 2011 compared to a Net Loss of RM9.1m in the preceding quarter.

Oilfield Services

Current Quarter

Operationally, current quarter results produced better margins due to good performance from the Machine Shop unit in Nigeria with higher margins from chemical sales in Malaysia arising from re-negotiated contract. However, the division was hit with receivable and stock provisions as well as other adjustments amounting to RM41 million (after non-controlling interest) in Q4 2011.

The segment result for the current quarter was also affected by goodwill impairment cost and loss from disposal of USA and Mexico discontinued operations amounting to RM100 million with the restructuring of the division's bond issuance resulting in a further cost of RM9m (both costs after non-controlling interest).

Financial year-to-date

For the financial year 2011, the segment is showing a loss due to the goodwill impairment cost from the disposal of USA and Mexico discontinued operations and debt and stock provisions as well as other adjustments affecting 2011.

Engineering Services

Current Quarter

The segment results showed losses principally due to unrealized forex losses due to the weakening of INR against the RM amounting to RM17 million (after non-controlling interest) arising from the Mumbai project. Further to this, margins were also affected by project cost adjustments at Mumbai project in Q4 2011 as well as lower value of work done.

Financial year-to-date

For the financial year 2011, the division was impacted by total Unrealized forex losses of RM28 million (after non-controlling interest), project cost revisions at Mumbai project lowering the margins and lower value of work done.

Energy Logistics

Current Quarter & Financial Year-to-date

The division registered lower profits at operational level due to lower result from Marine Logistics unit with Offshore unit performing better than Q3 2011. However, the segment made losses for both the quarter and year-to-date due to impairment on assets and goodwill in Q4 2011 amounting to RM65 million (SGB Group's portion).

B2. Variation of results against preceding quarter

Profit Before Taxation (preceeding quarter)

Compared to the preceding quarter, Q4 2011 results were significantly impacted by impairment cost and business disposal costs affecting Oilfield Services and Energy Logistics. Besides this, the weakening of INR against RM was also a factor in the losses produced in the current quarter.

B3. Current year prospects

Oilfield Services Division expects favorable drilling activity to continue driving the performance of Eastern Hemisphere countries, especially Malaysia. Outlook for the Western Hemisphere countries continue to be challenging whilst the performance for the Middle East remain underpinned by the political landscape affecting the countries.

Transport Solutions Division will continue pursuing opportunities in monorail projects especially in Malaysia, Brazil and India to capitalize on the increasing demand for infrastructure development in these countries.

Volatility of INR against RM may impact the performance of its Mumbai monorail project. Notwithstanding this, the segment continues to focus on project execution and will endeavour to complete the project by the approved extended time.

Energy Logistics remains cautiously optimistic towards the outlook of the oil and gas industry despite challenges faced within the global environment. There are signs of steady improvements from the emerging economies that will provide support for longer term energy demands. The fundamentals driving the offshore support activities remain intact with more explorations expected in order to meet the increasing demand of energy. This will augur well for the demand for offshore supply vessels and seaborne coal logistic solutions. The management is committed to continue with improving the productivity of its Indonesian coal transportation operations to derive better results.

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-11 RM`000 | Preceding Year Quarter 31-Dec-10 RM`000 | Current Year Quarter 31-Dec-11 RM`000 | Preceding Year Quarter 31-Dec-10 RM`000 |
| Continuing operations | | | | |
| Current tax: | | | | |
| Malaysian income tax | 3,432 | 1,097 | 6,199 | 1,743 |
| Foreign tax | 11,301 | 8,119 | 27,998 | 27,221 |
| | <u>14,733</u> | <u>9,216</u> | <u>34,197</u> | <u>28,964</u> |
| Under/(Over)provision of income tax in prior years | 6,725 | 6,275 | 415 | (4,941) |
| | <u>21,458</u> | <u>15,491</u> | <u>34,612</u> | <u>24,023</u> |
| Deferred tax | 17,185 | 85 | 15,046 | (3,814) |
| | <u>38,643</u> | <u>15,576</u> | <u>49,658</u> | <u>20,209</u> |
| Discontinued operations | | | | |
| Current tax: | | | | |
| Malaysian income tax | - | - | - | - |
| Foreign tax | 263 | (4,631) | 572 | (338) |
| | <u>263</u> | <u>(4,631)</u> | <u>572</u> | <u>(338)</u> |
| Under/(Over)provision of income tax in prior years | 205 | - | 205 | - |
| | <u>468</u> | <u>(4,631)</u> | <u>777</u> | <u>(338)</u> |
| Deferred tax | - | 1,314 | - | (1,825) |
| | <u>468</u> | <u>(3,317)</u> | <u>777</u> | <u>(2,163)</u> |
| Total from discontinued operations | <u>468</u> | <u>(3,317)</u> | <u>777</u> | <u>(2,163)</u> |
| Total income tax (credit)/expense | <u>39,111</u> | <u>12,259</u> | <u>50,435</u> | <u>18,046</u> |

Domestic current income tax is calculated at the statutory tax rate of 25% (2010: 25%) of the taxable profit for the year. Taxation for the other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The tax expense for the current quarter was mainly due to:-

- i. non-deductibility of certain expenses for tax purposes;
- ii. higher statutory corporate tax rates for certain foreign subsidiaries

B6. Status of corporate proposals

There were no corporate proposals announced but not completed as at the reporting date.

B7. Group borrowings and debt securities

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

| | <u>Current</u> RM'000 | <u>Non- current</u> RM'000 | <u>Total</u> RM'000 |
|------------------------|--|---|--------------------------------------|
| <u>Borrowings</u> | | | |
| Secured | 726,138 | 341,421 | 1,067,559 |
| <u>Debt securities</u> | | | |
| Secured | 3,188 | - | 3,188 |
| Unsecured | 14 | 3 | 17 |
| | <u>729,340</u> | <u>341,424</u> | <u>1,070,764</u> |

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

| | RM `000 |
|------------------|------------------|
| Ringgit Malaysia | 829,805 |
| US Dollar | 143,537 |
| Sterling Pound | 21,475 |
| Indian Rupee | 63,212 |
| Singapore Dollar | 6 |
| Others | 12,729 |
| Total | <u>1,070,764</u> |

B8. 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.

B9. Proposed Dividend

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

B10. Earnings per share

| | Individual Quarter | | Cumulative Quarter | |
|---|---------------------------|------------------|---------------------------|------------------|
| | 31-Dec-11 | 31-Dec-10 | 31-Dec-11 | 31-Dec-10 |
| Basic earnings per share | | | | |
| Net profit attributable to shareholders (RM'000) | <u>(242,263)</u> | <u>(23,609)</u> | <u>(226,369)</u> | <u>(172,906)</u> |
| Weighted average number of shares ('000) | 1,391,996 | 1,392,113 | 1,391,731 | 1,371,255 |
| Basic earnings per share (sen) | <u>(17.40)</u> | <u>(1.70)</u> | <u>(16.27)</u> | <u>(12.61)</u> |
| Diluted earnings per share | | | | |
| Net profit attributable to shareholders (RM'000) | <u>(242,263)</u> | <u>(23,609)</u> | <u>(226,369)</u> | <u>(172,906)</u> |
| Weighted average number of shares ('000) | 1,391,996 | 1,392,113 | 1,391,731 | 1,371,255 |
| Dilutive effect of unexercised share option and warrants (RM'000) | <u>2,797</u> | <u>16,004</u> | <u>2,797</u> | <u>16,004</u> |
| | <u>1,394,793</u> | <u>1,408,117</u> | <u>1,394,528</u> | <u>1,387,259</u> |
| Diluted earnings per share (sen) | <u>(17.37)</u> | <u>(1.68)</u> | <u>(16.23)</u> | <u>(12.46)</u> |

B11. Realised and Unrealised Profits/Losses Disclosure

The breakdown of retained profits as at reporting date is analysed as follows:

| | As at 31-Dec-11 RM'000 | As at 31-December-10 Restated RM'000 |
|--|---------------------------------------|---|
| Total retained profits of company and its subsidiaries: | | |
| - Realised | 495,568 | 649,790 |
| - Unrealised | (29,605) | 55,476 |
| | <hr/> 465,963 | <hr/> 705,266 |
| Total share of accumulated losses from associated companies: | | |
| - Realised | (88,205) | (35,109) |
| - Unrealised | (3,105) | (4,893) |
| Total share of (accumulated losses)/retained profits from jointly controlled entities: | | |
| - Realised | (19) | 4,713 |
| - Unrealised | - | (144) |
| | <hr/> 374,634 | <hr/> 669,833 |
| Consolidation adjustments | 1,678 | (67,186) |
| Total group retained profits as per consolidated accounts | <hr/> <hr/> 376,312 | <hr/> <hr/> 602,647 |

B12. Loss before taxation

Loss before taxation is stated after charging/(crediting):

| | 3 months ended 31-Dec-11 RM'000 | Current year ended 31-Dec-11 RM'000 |
|---|--|--|
| Interest income | 1,032 | (1,916) |
| Gain on disposal of property, plant and equipment | (1,706) | (3,423) |
| Gain on disposal of jointly controlled entity | - | (4,548) |
| Foreign exchange losses | 40,668 | 57,930 |
| Depreciation and amortisation | 16,063 | 62,241 |
| Impairment of assets | 2,397 | 2,397 |
| Allowance for and write off of inventories | 2,197 | 4,619 |
| Impairment of investment in associate | 6,522 | 6,522 |
| Impairment losses on receivables | 7,895 | 8,521 |
| Fair value loss on derivatives | 4,980 | 5,050 |

B13. 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 29 February 2012.