

SCOMI ENGINEERING BHD (formerly known as Bell & Order Berhad) (111633-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Unaudited Condensed Consolidated Income Statements
For the First quarter ended 31 March 2006

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 31/03/2006 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31/03/2005 RM'000	CURRENT YEAR PERIOD TO-DATE 31/03/2006 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 31/03/2005 RM'000
<u>Continuing Operations</u>				
Revenue	43,323	-	43,323	-
Cost of sales	(30,326)	-	(30,326)	-
Gross profit	12,997	-	12,997	-
Other operating income	(269)	-	(269)	-
Indirect depreciation	(166)	-	(166)	-
Operating & administrative expenses	(4,495)	-	(4,495)	-
	8,067	-	8,067	-
Finance costs	(860)	-	(860)	-
Profit before tax	7,207	-	7,207	-
Taxation	(1,757)	-	(1,757)	-
Profit for the period from continuing operations	5,450	-	5,450	-
<u>Discontinued Operations</u>				
Loss for the period from the discontinued operations	-	(869)	-	(869)
Profit/(loss) for the period	5,450	(869)	5,450	(869)
Attributable to:				
Equity holders of the parent	5,450	(869)	5,450	(869)
Minority interest	-	-	-	-
Profit/(loss) for the period	5,450	(869)	5,450	(869)
Earnings per share attributable to equity holders of the parent:				
<u>Basic earnings per ordinary share (sen)</u>				
- For profit from continuing operations	2.12	-	2.12	-
- For loss from discontinued operations	-	(4.53)	-	(4.53)
	2.12	(4.53)	2.12	(4.53)
<u>Diluted earnings per ordinary share (sen)</u>				
- For profit from continuing operations	2.12	-	2.12	-
- For loss from discontinued operations	-	(4.53)	-	(4.53)
	2.12	(4.53)	2.12	(4.53)

Note: The detailed calculations for Basic and Diluted earnings per share are shown in Note B14.

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2005 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BHD (formerly known as Bell & Order Berhad) (111633-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Unaudited Condensed Consolidated Balance Sheets As at 31 March 2006

	As at 31/03/2006 RM'000	As at 31/12/2005 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	51,157	47,836
Intangible Assets	207,487	207,487
Other Investment	542	542
	<u>259,186</u>	<u>255,865</u>
Current assets		
Inventories	36,696	42,995
Trade Receivables	43,149	46,753
Other receivables	31,568	8,300
Tax recoverable	1,222	2,205
Amount due from related corporations	27,717	27,276
Investment	5,000	-
Deposits with licensed banks	800	991
Cash and bank balances	39,687	19,519
	<u>185,839</u>	<u>148,039</u>
Total assets	<u>445,025</u>	<u>403,904</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	269,303	211,751
Share premium	78,299	68,516
Merger relief reserve	21,260	21,260
Currency translation reserve	(91)	-
Accumulated losses	<u>(30,433)</u>	<u>(35,883)</u>
Shareholders' Funds	338,338	265,644
Minority interest	-	-
Total equity	<u>338,338</u>	<u>265,644</u>
Non-current liabilities		
Hire purchase creditors	12,057	10,862
Borrowings	17,765	19,539
Deferred tax liabilities	956	1,116
	<u>30,778</u>	<u>31,517</u>
Current liabilities		
Trade payables	20,492	23,137
Other payables	15,992	41,372
Amount due to holding company	430	898
Provision for taxation	5,820	6,583
Borrowings	28,381	31,264
Hire purchase creditors	4,794	3,489
	<u>75,909</u>	<u>106,743</u>
Total liabilities	<u>106,687</u>	<u>138,260</u>
TOTAL EQUITY AND LIABILITIES	<u>445,025</u>	<u>403,904</u>
<i>Net assets per share (RM)</i>	<u>1.26</u>	<u>1.25</u>

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31st December 2005 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BHD (formerly known as Bell & Order Berhad) (111633-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Unaudited Condensed Consolidated Cash Flow Statements
For the First quarter ended 31 March 2006

	CURRENT YEAR QUARTER ENDED 31/03/2006 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31/03/2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	7,207	(869)
Adjustment for :-		
Non-cash items	1,917	32
Non-operating items	(91)	(16)
Interest Expense	860	536
Operating profit before changes in working capital	<u>9,893</u>	<u>(317)</u>
Changes in working capital		
Increase/(decrease) in current assets	(13,369)	251
(Increase)/decrease in current liabilities	(29,056)	687
Cash flow generated from/(used in) operating activities	<u>(32,532)</u>	<u>621</u>
Tax paid	(1,697)	-
Net cash flow generated from/(used in) operating activities	<u>(34,229)</u>	<u>621</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of PPE	(5,445)	-
Proceeds from disposal of PPE	72	17
Investment	(5,000)	-
Net cash flow generated from/(used in) investing activities	<u>(10,373)</u>	<u>17</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	69,062	-
Share issue expenses	(1,727)	-
Repayment of term loan / HP	(51)	(451)
Increase in BA	(1,566)	-
Net cash flow generated from/(used in) financing activities	<u>65,718</u>	<u>(451)</u>
Net Change in Cash and Cash Equivalents	21,116	187
Cash and Cash Equivalents at beginning of period	15,755	(987)
Cash and Cash Equivalents at end of period	<u>36,871</u>	<u>(800)</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	31/03/2006 RM'000	31/03/2005 RM'000
Fixed deposits		
Short term deposits	800	-
Cash and bank balances	39,687	86
Bank overdraft	(3,616)	(886)
	<u>36,871</u>	<u>(800)</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2005 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BHD (formerly known as Bell & Order Berhad) (111633-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

Unaudited Condensed Consolidated Statements of Changes in Equity
For the quarter ended 31 March 2006

	Share Capital RM'000	Share Premium RM'000	Merger Relief Reserve RM'000	Currency Exchange Reserve RM'000	Retained Profits RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 January 2006	211,751	68,516	21,260	-	(35,883)	265,644	-	265,644
Rights issue	57,552	11,510	-	-	-	69,062	-	69,062
Transaction costs	-	(1,727)	-	-	-	(1,727)	-	(1,727)
Net profit for the period	-	-	-	-	5,450	5,450	-	5,450
Foreign currency translation	-	-	-	(91)	-	(91)	-	(91)
At 31 March 2006	269,303	78,299	21,260	(91)	(30,433)	338,338	-	338,338

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2005 and the accompanying explanatory notes attached to the interim financial statements.