

SCOMI ENGINEERING BHD (111633-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2009

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Quarter	Current Year Period Ended	Preceding Year Period Ended
	30-Sep-09 RM'000	30-Sep-08 RM'000	30-Sep-09 RM'000	30-Sep-08 RM'000
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>
<u>Continuing Operations</u>				
Revenue	122,260	91,936	400,201	318,578
Cost of sales	(97,309)	(71,383)	(295,142)	(253,874)
Gross Profit	24,951	20,553	105,059	64,704
Other income	326	242	1,686	2,762
Operating expenses	(14,906)	(15,521)	(44,739)	(36,777)
Finance costs	(1,518)	(1,421)	(3,967)	(3,666)
Profit before taxation	8,853	3,853	58,039	27,023
Taxation	3,039	673	(9,127)	(4,632)
Profit for the period from continuing operations	11,892	4,526	48,912	22,391
<u>Discontinued Operations</u>				
Loss for the period from discontinued operations	-	-	-	(662)
Profit for the period	<u>11,892</u>	<u>4,526</u>	<u>48,912</u>	<u>21,729</u>
Attributable to :				
Equity holders of the parent	11,892	4,376	48,815	21,409
Minority interest	-	150	97	320
Profit for the period	<u>11,892</u>	<u>4,526</u>	<u>48,912</u>	<u>21,729</u>
Earnings per share attributable to equity holders of the parent:				
<u>Basic earnings per ordinary share (sen)</u>				
- For profit from continuing operations	4.31	1.59	17.71	8.01
- For loss from discontinued operations	-	-	-	(0.24)
	<u>4.31</u>	<u>1.59</u>	<u>17.71</u>	<u>7.77</u>
<u>Diluted earnings per ordinary share (sen)</u>				
- For profit from continuing operations	4.29	-	17.62	-
- For loss from discontinued operations	-	-	-	-
	<u>4.29</u>	<u>-</u>	<u>17.62</u>	<u>-</u>

Note: The detailed calculations for the Basic and Diluted earnings per share are shown in Note B13.

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Report for the year ended 31st December 2008 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BHD (111633-M)
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UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2009

	As at 30-Sep-09 RM'000 <u>Unaudited</u>	As at 31-Dec-08 RM'000 <u>Audited</u>
ASSETS		
Non-current Assets		
Property, plant & equipment	153,101	131,456
Other investments	749	749
Intangible assets	280,073	268,063
Prepaid lease payments	5,819	5,937
Deferred tax assets	4,920	7,406
Total non-current assets	444,662	413,611
Current Assets		
Other investments	-	1,500
Inventories	45,783	50,070
Trade and other receivables	316,661	159,113
Tax recoverable	4,725	2,548
Amounts due from related corporations	-	343
Short-term deposits, cash and bank balances	22,831	23,071
Total current assets	390,000	236,645
TOTAL ASSETS	834,662	650,256
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	275,883	275,694
Treasury shares	(101)	(100)
Reserves	170,112	135,164
Minority interest	445,894 696	410,758 599
Total equity	446,590	411,357
Non-current Liabilities		
Borrowings (interest bearing)	40,985	33,353
Deferred tax liabilities	4,248	4,047
Total non-current liabilities	45,233	37,400
Current Liabilities		
Trade and other payables	190,161	118,237
Deferred government grant	431	431
Amounts due to related corporations	4,151	767
Amount due to ultimate holding company	110	483
Borrowings (interest bearing)	139,577	71,865
Current tax liabilities	8,409	9,716
Total current liabilities	342,839	201,499
Total liabilities	388,072	238,899
TOTAL EQUITY AND LIABILITIES	834,662	650,256
Net assets per share attributable to equity holders of the parent (RM)	1.62	1.49

The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Report for the year ended 31st December 2008 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BERHAD (111633-M)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	30-Sep-09 RM'000 <u>Unaudited</u>	30-Sep-08 RM'000 <u>Unaudited</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation from:		
Continuing operations	58,039	27,023
Discontinued operations	-	(662)
	<u>58,039</u>	<u>26,361</u>
Adjustments for:		
Non-cash items	8,595	3,298
Interest expense	3,967	3,857
Interest income	(108)	(461)
Operating profit before changes in working capital	<u>70,493</u>	<u>33,055</u>
Changes in working capital:		
Increase in current assets	(143,707)	(19,019)
Increase in current liabilities	70,816	19,308
Cash flow (used in) / from operating activities	<u>(2,398)</u>	<u>33,344</u>
Tax paid	(9,817)	(10,618)
Interest paid	(3,577)	(3,791)
Net cash flow (used in) / from operating activities	<u>(15,792)</u>	<u>18,935</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of subsidiary, net of cash in subsidiary disposed	-	3,178
Purchase of property, plant and equipment	(27,210)	(17,792)
Upliftment/(placement) in money market fund	1,500	(800)
Interest received	108	461
Proceeds from disposal of property, plant and equipment	233	304
Development expenditure incurred	(18,012)	(9,259)
Net cash flow used in investing activities	<u>(43,381)</u>	<u>(23,908)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares		
- exercise of ESOS	189	823
Treasury shares purchased	(1)	(97)
Dividend paid	(13,779)	(13,778)
Net (repayment) / drawdown of borrowings	(5,720)	15,049
Net (settlement) / drawdown of trade facilities	(5,117)	69
Short term deposits (pledged) / released as securities for bank facilities	(1,768)	350
Net cash flow (used in) / from financing activities	<u>(26,196)</u>	<u>2,416</u>
Net change in cash and cash equivalents	(85,369)	(2,557)
Currency translation differences	(45)	564
Cash and cash equivalents at the beginning of the period	<u>(2,073)</u>	<u>12,251</u>
Cash and cash equivalents at the end of the period	<u>(87,487)</u>	<u>10,258</u>
<u>Cash and cash equivalents comprise:</u>		
Deposits placed with licensed banks	4,193	8,728
Cash and bank balances	18,638	18,119
Bank overdrafts	(106,125)	(15,894)
	<u>(83,294)</u>	<u>10,953</u>
Deposits with licensed banks pledged as security for bank facilities	(4,193)	(695)
	<u>(87,487)</u>	<u>10,258</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Report for the year ended 31st December 2008 and the accompanying explanatory notes attached to the interim financial statements.

SCOMI ENGINEERING BERHAD (111633-M)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	<-----Attributable to equity holders of the parent----->									
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Merger relief reserve RM'000	Currency exchange reserve RM'000	Share option and capital contribution reserves RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
9-month ended 30 September 2009										
At 1 January 2009	275,694	(100)	45,598	21,260	(7,358)	3,830	71,834	410,758	599	411,357
Employee Share Options Scheme (ESOS)										
- shares issued	189	-	-	-	-	-	-	189	-	189
- transfer from share option reserve on exercise of share options	-	-	38	-	-	(38)	-	-	-	-
- options granted	-	-	-	-	-	573	-	573	-	573
Treasury shares purchased	-	(1)	-	-	-	-	-	(1)	-	(1)
Currency translation differences arising during the period	-	-	-	-	(661)	-	-	(661)	-	(661)
Dividend paid	-	-	-	-	-	-	(13,779)	(13,779)	-	(13,779)
Net profit for the period	-	-	-	-	-	-	48,815	48,815	97	48,912
At 30 September 2009	275,883	(101)	45,636	21,260	(8,019)	4,365	106,870	445,894	696	446,590
9-month ended 30 September 2008										
At 1 January 2008	274,871	(2)	45,435	21,260	(10,086)	2,991	73,177	407,646	262	407,908
Employee Share Options Scheme (ESOS)										
- shares issued	823	-	-	-	-	-	-	823	-	823
- transfer from share option reserve on exercise of share options	-	-	163	-	-	(163)	-	-	-	-
- options granted	-	-	-	-	-	839	-	839	-	839
Treasury shares purchased	-	(97)	-	-	-	-	-	(97)	-	(97)
Currency translation differences arising during the period	-	-	-	-	3,111	-	-	3,111	-	3,111
Amount recognised directly in equity in relation to disposal of subsidiary company	-	-	-	-	-	(113)	750	637	-	637
Dividend paid	-	-	-	-	-	-	(13,778)	(13,778)	-	(13,778)
Net profit for the period	-	-	-	-	-	-	21,409	21,409	320	21,729
At 30 September 2008	275,694	(99)	45,598	21,260	(6,975)	3,554	81,558	420,590	582	421,172

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Report for the year ended 31st December 2008 and the accompanying explanatory notes attached to the interim financial statements.

