**SAPURACREST PETROLEUM BERHAD**
**(Company No : 45631-D)**
**Incorporated in Malaysia**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 JANUARY 2007**

**THE FIGURES HAVE NOT BEEN AUDITED**

## I. CONDENSED CONSOLIDATED INCOME STATEMENT

| | | Individual Quarter | | Cumulative Quarter | |
|---|---|---|---|---|---|
| | | Current year quarter | Preceding year corresponding quarter | Twelve months to | Twelve months to |
| | | **31/01/2007** | **31/01/2006** | **31/01/2007** | **31/01/2006** |
| | | RM'000 | RM'000 **(restated)** | RM'000 | RM'000 **(restated)** |
| 1. | **Revenue** | **443,262** | **394,322** | **1,766,118** | **1,793,739** |
| | Operating expenses | (391,630) | (362,246) | (1,644,152) | (1,645,928) |
| | Other income | 6,850 | 5,481 | 19,354 | 11,235 |
| | Profit from operations | 58,482 | 37,557 | 141,320 | 159,046 |
| | Finance cost | (34,861) | (16,624) | (94,138) | (51,234) |
| | | 23,621 | 20,933 | 47,182 | 107,812 |
| | Share of (loss)/profit of associated companies and jointly controlled entities | (3,837) | 29 | (6,059) | 1,779 |
| | **Profit before taxation** | **19,784** | **20,962** | **41,123** | **109,591** |
| | Taxation | 1,010 | 5,554 | (8,054) | (2,233) |
| | **Profit for the period** | **20,794** | **26,516** | **33,069** | **107,358** |
| | Attributable to : | | | | |
| | Equity holders of the parent | 7,344 | 17,447 | (17,724) | 73,995 |
| | Minority interests | 13,450 | 9,069 | 50,793 | 33,363 |
| | | **20,794** | **26,516** | **33,069** | **107,358** |
| 2. | **Earnings/(loss) per share (sen)** | | | | |
| | Basic | **0.83** | **1.98** | **(2.00)** | **8.41** |
| | Diluted | **0.81** | **1.56** | **(2.00)** | **6.59** |

The condensed consolidated income statement should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2006.

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## II. CONDENSED CONSOLIDATED BALANCE SHEET

| | **UNAUDITED** As at end of current quarter **31/01/2007** | **AUDITED** As at preceding financial year end **31/01/2006** |
|---|---|---|
| **ASSETS** | RM'000 | RM'000 |
| **Non-current assets** | | |
| Property, plant and equipment | 784,645 | 989,574 |
| Investment in associated companies | 9,140 | 22,558 |
| Investment in jointly controlled entities | 39,730 | 98 |
| Intangible assets | 940 | 42 |
| Deferred tax assets | 1,560 | 7,429 |
| Goodwill on consolidation | 145,262 | 130,962 |
| Cash and bank balances | 10,982 | 2,575 |
| | 992,259 | 1,153,238 |
| **Current assets** | | |
| Inventories & WIP | 43,173 | 34,430 |
| Amount due from related companies | 6,059 | 9,039 |
| Trade & other receivables | 1,198,447 | 941,165 |
| Cash and bank balances | 282,544 | 367,287 |
| | 1,530,223 | 1,351,921 |
| Non-current assets classified as held for sale | 2,101 | - |
| **TOTAL ASSETS** | **2,524,583** | **2,505,159** |
| | | |
| **EQUITY AND LIABILITIES** | | |
| **Equity attributable to equity holders of the parent** | | |
| Share capital | 177,427 | 176,032 |
| Redeemable cumulative convertible preference shares | - | 1,301 |
| Share premium | 185,867 | 183,465 |
| Other reserves | 49,084 | 64,294 |
| Retained profit | 24,894 | 50,378 |
| | 437,272 | 475,470 |
| **Minority interests** | 216,669 | 179,760 |
| **Total equity** | 653,941 | 655,230 |
| | | |
| **Non-current liabilites** | | |
| Borrowings | 895,751 | 879,806 |
| Deferred taxation | 8,427 | 10,067 |
| | 904,178 | 889,873 |
| **Current liabilities** | | |
| Amount due to related companies | 4,449 | 4,177 |
| Trade & other payables | 682,874 | 545,318 |
| Borrowings | 268,834 | 394,110 |
| Taxation | 10,307 | 16,451 |
| | 966,464 | 960,056 |
| **TOTAL LIABILITIES** | 1,870,642 | 1,849,929 |
| **TOTAL EQUITY AND LIABILITIES** | **2,524,583** | **2,505,159** |
| | | |
| **Net assets per share (RM)** | **0.49** | **0.54** |

The condensed consolidated income statement should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2006.

**SAPURACREST PETROLEUM BERHAD**
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## III. CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| | Unaudited Twelve months to 31/01/2007 | Audited Twelve months to 31/01/2006 |
|---|---|---|
| | RM'000 | RM'000 |
| Profit before taxation | 41,123 | 109,591 |
| Adjustment for non-cash items | 118,649 | 103,414 |
| Operating profit before working capital changes | 159,772 | 213,005 |
| Net change in current assets | (209,134) | (421,107) |
| Net change in current liabilities | 125,226 | 221,018 |
| | 75,864 | 12,916 |
| Non-operating items | (86,572) | (51,283) |
| Net cash used in operating activities | (10,708) | (38,367) |
| Net cash generated from/(used in) investing activities | 33,795 | (450,578) |
| Net cash (used in)/generated from financing activities | (68,654) | 435,175 |
| Net changes in Cash and Cash Equivalent | (45,567) | (53,770) |
| Effect of exchange rate translation | (4,782) | 1,059 |
| Cash and Cash Equivalents at 1 February 2006 | 304,602 | 357,313 |
| Cash and Cash Equivalents at 31 January 2007 | 254,253 | 304,602 |

Cash and cash equivalents comprise of the following:

| | | |
|---|---|---|
| | RM'000 | RM'000 |
| Cash and bank balances | 293,526 | 369,862 |
| Bank overdrafts | (4,895) | (2,659) |
| | 288,631 | 367,203 |
| Less : Fixed deposits pledged | (34,378) | (62,601) |
| | 254,253 | 304,602 |

The condensed consolidated cash flow statement should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2006.

## IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Attributable to Equity Holders of the Parent | | | | | Minority interest | Total Equity |
|---|---|---|---|---|---|---|---|
| | Share Capital<br>RM'000 | Share Premium<br>RM'000 | Other Reserves<br>RM'000 | Retained profit / (accum. losses)<br>RM'000 | Total<br>RM'000 | RM'000 | RM'000 |
| **Twelve months to 31 January 2007 (unaudited)** | | | | | | | |
| At 1 February 2006 | 177,333 | 183,465 | 64,294 | 50,378 | 475,470 | 179,760 | 655,230 |
| Net(loss)/profit for the year | - | - | - | (17,724) | (17,724) | 50,793 | 33,069 |
| Issue of ordinary share pursuant of ESOS | 1,395 | 2,372 | - | - | 3,767 | - | 3,767 |
| Share-based payment under ESOS | - | 30 | 222 | - | 252 | - | 252 |
| Foreign currency translation | - | - | (15,432) | - | (15,432) | (13,884) | (29,316) |
| Final dividend for the financial year ended 31 January 2006 | - | - | - | (9,567) | (9,567) | - | (9,567) |
| Redemption of RCCPS | (1,807) | - | - | 1,807 | - | - | - |
| Reclasification of deferred taxation | | | | | - | - | - |
| in relation to redemption of RCCPS | 506 | | | | 506 | | 506 |
| At 31 January 2007 | 177,427 | 185,867 | 49,084 | 24,894 | 437,272 | 216,669 | 653,941 |
| **Twelve months to 31 January 2006 (audited)** | | | | | | | |
| At 1 February 2005 | 177,112 | 183,090 | 63,006 | (13,385) | 409,823 | 152,883 | 562,706 |
| Net profit for the year | - | - | - | 73,995 | 73,995 | 33,363 | 107,358 |
| Issue of ordinary share pursuant of ESOS | 221 | 375 | - | - | 596 | - | 596 |
| Acquisition of a subsidiary | - | - | - | - | - | 3,540 | 3,540 |
| Foreign currency translation | - | - | 968 | - | 968 | (445) | 523 |
| Interim dividend for the financial year ended 31 January 2006 | - | - | - | (10,232) | (10,232) | (9,261) | (19,493) |
| Transfer of minority interest's share of revaluation reserve no longer required | - | - | 320 | - | 320 | (320) | - |
| At 31 January 2006 | 177,333 | 183,465 | 64,294 | 50,378 | 475,470 | 179,760 | 655,230 |

The condensed consolidated statement of changes in equity should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2006.

**NOTES TO THE FINANCIAL STATEMENTS**

The notes to the condensed Financial Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2006.

**1. Accounting policies and methods of computation**

i) The unaudited condensed consolidated financial statements have been prepared by applying accounting policies and methods of computation consistent with those used in the preparation of the most recent audited financial statements of the Group and are in accordance with FRS134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning or after 1 January 2006:

| | |
|---|---|
| FRS 2 | Share-based Payments |
| FRS 3 | Business Combinations |
| FRS 5 | Non-current Assets Held for Sale and Discontinued Operations |
| FRS 101 | Presentation of Financial Statements |
| FRS 102 | Inventories |
| FRS 108 | Accounting Policies, Changes in Estimates and Errors |
| FRS 110 | Events after the Balance Sheet Date |
| FRS 116 | Property, Plant and Equipment |
| FRS 121 | The Effects of Changes in Foreign Exchange Rates |
| FRS 127 | Consolidated and Separate Financial Statements |
| FRS 128 | Investment in Associates |
| FRS 131 | Interests in Joint Ventures |
| FRS 132 | Financial Instruments: Disclosure and Presentation |
| FRS 133 | Earnings Per Share |
| FRS 136 | Impairment of Assets |
| FRS 138 | Intangible Assets |
| FRS 140 | Investment Property |

The adoption of FRS 3, 5, 102, 108, 110, 116, 121, 127, 128, 131, 132, 133, 136, 138 and 140 does not have significant financial impact on the Group.

The principal effects of changes in accounting policies resulting from the adoption of the other new/revised FRSs are discussed below:

**a) FRS 2: Share-based Payments**

The Company operates an equity-settled, share based compensation plan for the employees of the Group, the Employee Share Options Scheme ("ESOS"). Prior to 31 January 2006, no compensation expense was recognised in profit or loss for share options granted. With the adoption of FRS 2, the compensation expense relating to share options is recognized in profit or loss over the vesting periods of the grants with a corresponding increase in equity.

Under the transitional provisions of FRS 2, this FRS must be applied to share options that were granted after 31 December 2004 and had not yet vested on 1 February 2006.

The financial impact to the Group arising from this change in accounting policy is an additional charge of RM252,197 to the profit of the Group arising from the share options granted to employees of the Group under the ESOS.

**b) FRS 101: Presentation of Financial Statements**

The adoption of the revised FRS 101 has affected the presentation of minority interests, share of net after-tax results of associates and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with comparatives restated to conform with the current period's presentation.

(ii) The following comparative amounts have been restated due to the adoption of FRS 101:

| | Previously stated | Reclass-ification | **Restated** |
|---|---|---|---|
| | RM'000 | RM'000 | RM'000 |
| **Balance Sheet at 31 January 2006** | | | |
| Non current assets - Cash and bank balances | - | 2,575 | 2,575 |
| Current assets - Cash and bank balances | 369,862 | (2,575) | 367,287 |
| | | | |
| **Condensed Consolidated Income Statement for 12 months ended 31 January 2006** | | | |
| Other income | 3,746 | 7,489 | 11,235 |
| Finance cost | (43,745) | (7,489) | (51,234) |
| Share of results of associates | 2,008 | (229) | 1,779 |
| Taxation | (2,462) | 229 | (2,233) |

## 2. Audit report of preceding annual financial statements

The audit report of the Group's financial statements for the financial year ended 31 January 2006 was not qualified.

## 3. Seasonality and cyclicality of operations

The Group's operations are not materially subject to any seasonal or cyclical factors except for severe weather conditions.

## 4. Unusual items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter and financial year ended 31 January 2007 except as disclosed in Notes 1 and 5.

## 5. Changes in estimates

With the adoption of FRS 116: Property, Plant and Equipment, the Group revised the residual values of certain property, plant and equipment mainly the vessels, and the estimated useful lives of certain furniture and equipments. The revisions were accounted for as change in accounting estimates. As a result, the depreciation charges for the current financial period have been reduced by RM15.1 million.

Save as disclosed above, there were no other changes in estimates that have had material effect in the current quarter and financial year ended 31 January 2007 results.

## 6. Debt and equity securities

(a) Debt securities

On 25 August 2006, Bayu Padu Sdn Bhd ("Bayu Padu"), a wholly owned subsidiary of the Company, issued RM250 million nominal value of Istisna' Bonds, being the second tranche of the RM500 million nominal value of the Istisna' Bonds.

On 8 December 2006, Bayu Padu has redeemed the first tranche of the Istisna' Bonds of RM250 million nominal value and the MMTNs of RM100 million nominal value.

On 23 December 2006, the Company has redeemed the 20,325,000 RCCPS, which matured on 22 December 2006.

(b) Equity securities

During the financial year ended 31 January 2007, the issued and paid up capital of the Company increased from 880,159,875 ordinary shares of RM0.20 each to 887,136,675 ordinary shares of RM0.20 each by the issuance of 6,976,800 new ordinary shares of RM0.20 each, pursuant to the exercise of share options under the Company ESOS.

Save as disclosed above, there were no other issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the financial year ended 31 January 2007.

## 7. Dividends paid

A final dividend of 1.5 sen per ordinary share less 28% tax, totalling RM9.57 million in respect of the financial year ended 31 January 2006 was paid on 15 August 2006.

## 8. Segmental information

| | Segment Revenue RM'000 | Segment Result RM'000 |
|---|---|---|
| Installation of Pipelines and Facilities | 835,115 | (47,396) |
| Drilling | 394,013 | 96,652 |
| Marine Services | 473,153 | 58,295 |
| Operations and Maintenance | 63,837 | 2,121 |
| | | 109,672 |
| Investment holding and corporate operations | | |
| Finance costs of debt securities | | (47,737) |
| Pre-operating expenses in relation to Sapura 3000 | | (7,627) |
| Other investment holding and corporate operations | | (20,327) |
| Redemption costs of tranche 1 of Istisna' Bonds and MMTNs | | (13,090) |
| Unrealised foreign exchange differences relating to USD convertible bonds | | 20,232 |
| **Consolidated revenue / profit before tax** | **1,766,118** | **41,123** |

## 9. Carrying amount of revalued assets

The valuations of property, plant and equipment have been brought forward without amendment from previous audited financial statements.

## 10. Subsequent event

There were no material events subsequent to 31 January 2007 to the date of this announcement.

## 11. Changes in the composition of the Group

On 9 May 2006, the joint venture established by its wholly owned subsidiary, Nautical Essence Sdn Bhd ("NESB") with Acergy MS Ltd ("Acergy") came into effect.

Accordingly, SapuraAcergy Sdn Bhd (formerly known as Nautical Offshore Sdn Bhd) and Nautical Vessels Pte Ltd ("NVPL"), both of which were previously wholly owned subsidiaries of NESB, have now become jointly controlled entities of NESB and Acergy, each holding 50% equity. NVPL is the new owner of Sapura 3000.

Save as disclosed above, there were no changes in the composition of the Group for the current financial year ended 31 January 2007 including business combinations, acquisitions or disposals of subsidiaries and long term investments, restructuring or discontinued operations**.**

## 12. Contingent liabilities

There were no contingent liabilities as at the date of this announcement.

**13. Capital commitments**

Capital commitment approved and contracted for is RM258.6million.

**14. Taxation**

Taxation comprises the following:

| | Current quarter ended **31/01/07** RM'000 | Corresponding quarter ended **31/01/06** RM'000 | Current 12 months to **31/01/07** RM'000 | Corresponding 12 months to **31/01/06** RM'000 |
|---|---|---|---|---|
| Malaysian Taxation | | | | |
| - current taxation | 5,560 | 300 | 10,186 | 8,385 |
| - deferred taxation | 1,066 | (4,219) | 5,060 | (4,219) |
| - over provision in prior years | (9,603) | (1,835) | (9,603) | (1,835) |
| Foreign Taxation | | | | |
| - current taxation | 1,967 | 200 | 2,411 | (98) |
| | (1,010) | (5,554) | 8,054 | 2,233 |

The effective tax rate for the current quarter and current financial year varies from the statutory tax rate principally due to lower statutory tax rates for offshore subsidiary companies and over provision of taxation in prior years.

**15. Disposal of unquoted investments and/or properties**

There was no disposal of unquoted investments and/or properties during the current quarter and financial year ended 31 January 2007.

**16. Quoted securities**

There were no acquisitions and disposals of quoted securities for the current quarter and financial year ended 31 January 2007 and there were no investments in quoted securities as at 31 January 2007.

**17. (a) Status of corporate proposal announced but not completed**

***Proposed joint venture with Larsen & Toubro Limited ("L&T")***

On 8 June 2006, the Company announced that it had entered into an indicative term sheet with L&T to participate in the engineering, construction, management and operation of a new build derrick lay barge for the provision of offshore installation services. Under the indicative terms, the Company would hold 40% of the equity in the joint venture company while the remaining 60% would be held by L&T.

The Company is currently in discussions with L&T on the terms and conditions for the proposed joint venture.

## (b) Status of utilisation of proceeds

### *(i) Istisna' Bonds Proceeds – (RM490 million)*

| | Purpose | Proposed Utilisation RM'000 | Actual Utilisation RM'000 | Intended Timeframe for Utilisation |
|---|---|---|---|---|
| i) | To finance and/or refinance the cost of acquiring certain oil and gas related businesses | 90,000 | 27,084 | By Dec 2007 |
| ii) | For group working capital and/or capital expenditure purposes, which will be Syariah Compliant | 30,000 | 30,000 | - |
| iii) | To reimburse the SapuraCrest group for the acquisition of Sarku Clementine | 45,000 | 45,000 | - |
| iv) | To buy back Istisna' bonds and MMTNs (Islamic PDS) | 325,000 | 325,000 | - |
| | **Total** | 490,000 | 427,084 | |

### *(ii) Proceeds from the 50% divestment of the Company's interest via NESB, in Nautical Vessels Pte Ltd and SapuraAcergy Sdn Bhd (previously known as Nautical Offshore Sdn Bhd), to Acergy MS Limited– (USD64.2 million)*

| | Purpose | Proposed Utilisation USD'000 | Actual Utilisation USD'000 | Intended Timeframe for Utilisation |
|---|---|---|---|---|
| i) | Corporate purposes | 13,590 | 13,590 | - |
| ii) | Working capital | 50,579 | 50,579 | - |
| | Total | 64,169 | 64,169 | |

## 18. Borrowings

The Group's borrowings as at 31 January 2007 are as follows:

| | Long term borrowings | | | Short term borrowings | | |
|---|---|---|---|---|---|---|
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Domestic Banks | 129,461 | - | 129,461 | 131,363 | 81,423 | 212,786 |
| Foreign Bank | 182,057 | - | 182,057 | 30,995 | 339 | 31,334 |
| Debt securities | | | | | | |
| - BaIDs | 44,675 | - | 44,675 | 24,714 | - | 24,714 |
| - CB | - | 296,131 | 296,131 | - | - | - |
| - Islamic PDS | 243,427 | - | 243,427 | - | - | - |
| | 599,620 | 296,131 | 895,751 | 187,072 | 81,762 | 268,834 |

## 19. Off-balance sheet financial instruments

***Cross Currency Interest Rate Swap ("CCIRS")***

The Company had initially entered into a CCRIS to hedge against fluctuations in the interest and USD/RM exchange rate on approximately RM500 million loans of staggered maturities up to the year 2015, for which the source of repayment is expected to be in USD. By doing so, the Company effectively transformed the RM liabilities into equivalent liabilities in USD to essentially match future USD revenue/income. The final maturity of the swap, based on this original arrangement, was to be 26 July 2015.

Subsequently, as at the date of this announcement, the Company has substantially unwound the CCIRS arrangement to the extent that the underlying amount is now RM121.7 million staggered over the next eight years (at varying semi-annual amounts). The unwinding was based on a change in the company's currency risk profile arising principally from the securing of a USD loan to partly fund the construction of the Sapura 3000 (undertaken by NVPL, 50% owned by the Company), which also subsequently lead to the buy-back of RM350 million nominal value of Islamic Bonds (Note 6 and Note 17).

***Credit and Market Risk***

The hedging instruments were entered into with a reputable financial institution to limit the credit risk exposure of the Group.

***Hedging Instrument Accounting Policy***

The hedging instruments are not recognized in the financial statements on inception. The underlying foreign currency liabilities or assets are translated at their respective hedged exchange rates and all exchange gains and losses are recognized as income or expense in the income statement in the same period as the exchange differences on the underlying hedged items. Exchange gains or losses arising on contracts entered into as hedges of anticipated future transactions are deferred until the date of such transactions, at which time they are included in the measurement of such transactions.

Net differentials in interest receipts and payments arising from interest rate hedging instrument are recognized as income or expense over the period of the contract.

**20. Material litigation**

There was no material litigation as at the date of this announcement.

**21. Comparison between the current quarter and the immediate preceding quarter**

Revenue for the current quarter decreased by 22.7% to RM443.3 million as compared to RM573.5 million in the immediate preceding quarter mainly due to a decrease in the activities of the installation of pipelines and facilities ("IPF") division.

The Group, however, registered profit before taxation of RM19.8 million for the current quarter as compared to loss before taxation of RM19.6 million in the immediate preceding quarter. The profit was mainly attributable to the better performance registered by IPF and marine services divisions.

**22. Review of performance for the current quarter and current year to date**

*Current quarter compared to the corresponding fourth quarter of the preceding year (3 months)*

Revenue for the quarter under review of RM443.3 million showed an increase of RM48.9 million (12.4%) compared to RM394.3 million in the corresponding quarter of the preceding year, mainly due to an increase in activities in the drilling and marine services divisions.

The Group registered a slight decrease in profit before taxation of RM19.8 million as compared to profit before taxation of RM21.0 million in the corresponding quarter of the preceding year. This is mainly due to higher finance costs incurred and also the pre-operating and other expenses not capitalised in relation to the Sapura 3000 under a joint venture.

*Current financial year compared to the preceding year*

For the 12 months under review, the Group's revenue decreased by approximately RM27.6 million (1.5%) to RM1.77 billion compared to RM1.79 billion in the previous year mainly due to a decrease in activities in the IPF division.

The Group's profit before taxation was RM41.1 million, a decrease of RM68.5 million (62.5%) compared to RM109.6 million in the previous year was principally due to a loss recorded in the IPF division, higher finance costs and pre-operating and other expenses not capitalised in relation to the Sapura 3000 under a joint venture.

**23. (a) Prospects for the financial year ending 31 January 2008**

Barring any unforeseen circumstances, the Directors expect the Group to achieve satisfactory results for the financial year ending 31 January 2008.

**(b) Revenue or profit estimate, forecast, projection or internal targets**

The Company has not provided any revenue or profit estimate, forecast, projection or internal targets in any previous announcement or public document.

## 24. Variance of actual profit and forecast/shortfall in profit guarantee

The Company has not provided any forecast or profit guarantee in any previous announcement or public document.

## 25. Proposed Dividend

The Board recommends a First and Final gross dividend of 2.0 sen (10.0%) per share less tax at 27% for the financial year ended 31 January 2007 for shareholders' approval at the forthcoming Annual General Meeting of the Company, which will be paid on a date to be determined.

## 26. Earnings per share

| | 3 months to | | 12 months to | |
|---|---|---|---|---|
| **i) Basic** | **31/01/07** | **31/01/06** | **31/01/07** | **31/01/06** |
| Profit/(loss) attributable to equity holders of the parent (RM'000) | 7,344 | 17,447 | (17,724) | 73,995 |
| Weighted average number of ordinary shares in issue ('000) | 884,591 | 880,160 | 884,591 | 880,160 |
| Basic earnings/(loss) per share (sen) | 0.83 | 1.98 | (2.00) | 8.41 |

| | Individual Quarter | | Cumulative Quarter | |
|---|---|---|---|---|
| | 3 months to | | 12 months to | |
| **ii) Diluted** | **31/01/07** | **31/01/06** | **31/01/07** | **31/01/06** |
| Profit/(loss) attributable to equity holders of the parent (RM'000) | 7,344 | 17,447 | (17,724) | 73,995 |
| Adjusted profit/(loss) (RM'000) | 7,344 | 19,276 | (17,724) | 81,476 |
| Weighted average number of ordinary shares in issue ('000) | 884,591 | 880,160 | 884,591 | 880,160 |
| Effect of dilution: | | | | |
| Exercise of ESOS | 1,413 | 4,524 | 1,413 | 4,524 |
| Conversion of warrants | 249,929 | 249,929 | N/A | 249,929 |
| Number of shares for warrants that would have been issued at fair value | (227,499) | (188,776) | N/A | (188,776) |
| | 22,430 | 61,153 | - | 61,153 |
| Conversion of RCCPS | N/A | 28,229 | N/A | 28,229 |
| Conversion of CB | N/A | 261,821 | N/A | 261,821 |
| Adjusted weighted average number of ordinary shares in issue and issuable: | 908,434 | 1,235,887 | 886,004 | 1,235,887 |
| Diluted earnings/(loss) per share (sen) | 0.81 | 1.56 | (2.00) | 6.59 |

*Note : N/A denotes Not Applicable (Anti-dilutive)*

## 27. Goodwill on consolidation

Goodwill on consolidation has increased from RM131.0 million as at 31 January 2006 to RM145.3 million arising from the recognition of a deferred contingent consideration in relation to the acquisition of a subsidiary, as previously disclosed in the preceding quarter's financial statements.

**By Order of the Board**

Finton Tuan Kit Ming
Poh Phei Ling
Company Secretaries

Selangor
27 March 2007