

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 APRIL 2014

THE FIGURES HAVE NOT BEEN AUDITED

I. CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/04/2014 RM'000	Preceding year corresponding quarter 30/04/2013 RM'000	Three months to 30/04/2014 RM'000	Three months to 30/04/2013 RM'000
1. Revenue	2,443,568	1,622,522	2,443,568	1,622,522
Operating expenses	(1,587,090)	(1,297,793)	(1,587,090)	(1,297,793)
Other operating income	10,280	4,159	10,280	4,159
Profit from operations	866,758	328,888	866,758	328,888
Interest income	2,318	4,114	2,318	4,114
Interest expenses	(182,741)	(77,100)	(182,741)	(77,100)
Net fair value (loss)/gain on derivatives	(139)	381	(139)	381
Depreciation and amortisation	(316,124)	(94,269)	(316,124)	(94,269)
Net foreign exchange loss	(2,688)	(49,374)	(2,688)	(49,374)
Share of results of associated and joint venture companies	93,788	46,851	93,788	46,851
Gain arising from acquisition of subsidiaries	177,842	-	177,842	-
Profit before taxation	639,014	159,491	639,014	159,491
Taxation	(128,902)	(30,849)	(128,902)	(30,849)
Profit after taxation	510,112	128,642	510,112	128,642
Attributable to:				
Owners of the parent	509,420	93,668	509,420	93,668
Non-controlling interests	692	34,974	692	34,974
	510,112	128,642	510,112	128,642
2. Earnings per share (sen)				
Basic	8.50	1.56	8.50	1.56

The condensed consolidated income statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 APRIL 2014

THE FIGURES HAVE NOT BEEN AUDITED

II. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/04/2014 RM'000	Preceding year corresponding quarter 30/04/2013 RM'000	Three months to 30/04/2014 RM'000	Three months to to 30/04/2013 RM'000
Profit after taxation	510,112	128,642	510,112	128,642
Other comprehensive income:				
<i>Items that may be reclassified to income statements in subsequent periods:</i>				
Foreign currency translation differences	(64,463)	(78,685)	(64,463)	(78,685)
Share of other comprehensive income of joint venture companies:				
- Foreign currency translation differences	(9,839)	5,302	(9,839)	5,302
- Hedging reserve	(930)	785	(930)	785
Total comprehensive income	<u>434,880</u>	<u>56,044</u>	<u>434,880</u>	<u>56,044</u>
Attributable to:				
Owners of the parent	434,064	59,236	434,064	59,236
Non-controlling interests	816	(3,192)	816	(3,192)
Total comprehensive income	<u>434,880</u>	<u>56,044</u>	<u>434,880</u>	<u>56,044</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 APRIL 2014

THE FIGURES HAVE NOT BEEN AUDITED

III. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED	AUDITED
	As at end of current financial year 30/04/2014	As at end of preceding financial year 31/01/2014
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	12,508,601	12,518,547
Investment in associated and joint venture companies	1,070,001	1,028,573
Expenditures on oil and gas properties	5,012,438	769,672
Goodwill on consolidation	7,255,232	7,312,366
Other intangible assets	125,724	140,080
Deferred tax assets	175,194	114,497
Trade receivables	18,879	55,432
	<u>26,166,069</u>	<u>21,939,167</u>
Current assets		
Inventories	653,185	472,287
Trade and other receivables	2,808,492	2,734,419
Tax recoverable	117,106	81,957
Cash and bank balances	1,729,110	1,386,661
	<u>5,307,893</u>	<u>4,675,324</u>
TOTAL ASSETS	<u>31,473,962</u>	<u>26,614,491</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	5,992,155	5,992,155
Share premium	2,074,255	2,074,255
Other reserves	(62,951)	12,405
Retained profits	2,619,362	2,115,986
	<u>10,622,821</u>	<u>10,194,801</u>
Non-controlling interests	7,117	6,301
Total equity	<u>10,629,938</u>	<u>10,201,102</u>
Non-current liabilities		
Borrowings	13,999,661	11,326,261
Derivative financial liabilities	-	893
Other payables	809,080	625,422
Deferred tax liabilities	1,094,159	71,128
	<u>15,902,900</u>	<u>12,023,704</u>
Current liabilities		
Trade and other payables	3,330,373	3,250,430
Provision for liabilities	162,240	-
Borrowings	1,241,555	1,034,362
Derivative financial liabilities	-	1,775
Taxation	206,956	103,118
	<u>4,941,124</u>	<u>4,389,685</u>
TOTAL LIABILITIES	<u>20,844,024</u>	<u>16,413,389</u>
TOTAL EQUITY AND LIABILITIES	<u>31,473,962</u>	<u>26,614,491</u>
Net assets per share (RM)	<u>1.77</u>	<u>1.70</u>

The condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 APRIL 2014

THE FIGURES HAVE NOT BEEN AUDITED

IV. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited Three months to 30/04/2014 RM'000	Unaudited Three months to 30/04/2013 RM'000
Profit before taxation	639,014	159,491
Adjustments	204,923	173,180
Operating profit before working capital changes	843,937	332,671
Changes in working capital	(325,745)	(109,126)
Cash generated from operations	518,192	223,545
Taxation paid	(100,389)	(72,369)
Net cash generated from operating activities	417,803	151,176
Cash flows from investing activities		
Purchase of property, plant and equipment	(404,560)	(246,658)
Net cash outflow on acquisition of subsidiaries	(2,675,273)	(5,931,746)
Expenditure on oil and gas properties	(145,698)	(26,058)
Net advances to joint venture companies	(18,955)	-
Dividends from/(to) a joint venture company and non-controlling interest	40,887	(44,475)
Other items	1,956	2,344
Net cash used in investing activities	(3,201,643)	(6,246,593)
Cash flows from financing activities		
Issuance of shares, net	-	1,606,179
Interest paid	(121,476)	(70,988)
Net drawdown of revolving credit/term loans and bonds	3,251,778	4,894,316
Net drawdown/(repayment) of hire purchase and lease financing	3,339	(620)
Net cash generated from financing activities	3,133,641	6,428,887
Net increase in cash and cash equivalents	349,801	333,470
Cash and cash equivalents at beginning of year	1,386,661	1,025,772
Effect of exchange rate translation	(7,352)	(35,182)
Cash and cash equivalents at end of period	1,729,110	1,324,060

The condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 APRIL 2014

THE FIGURES HAVE NOT BEEN AUDITED

V. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent				Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained profits		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Three months to 30 April 2014 (Unaudited)						
At 1 February 2014	5,992,155	2,074,255	12,405	2,115,986	6,301	10,201,102
Total comprehensive income	-	-	(75,356)	509,420	816	434,880
Transaction with owners:						
Effect arising from step acquisition of a subsidiary	-	-	-	(6,044)	-	(6,044)
Total transaction with owners	-	-	-	(6,044)	-	(6,044)
At 30 April 2014	<u>5,992,155</u>	<u>2,074,255</u>	<u>(62,951)</u>	<u>2,619,362</u>	<u>7,117</u>	<u>10,629,938</u>

V. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D.)

	Attributable to owners of the parent				Total	Non-	Total equity
	Share capital	Share premium	Other reserves	Retained profits		controlling interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Three months to 30 April 2013 (Unaudited)							
At 1 February 2013	5,004,366	242,886	(19,190)	1,109,072	6,337,134	405,775	6,742,909
Total comprehensive income	-	-	(34,432)	93,668	59,236	(3,192)	56,044
Transaction with owners:							
Issuance of ordinary shares, net	587,000	1,019,179	-	-	1,606,179	-	1,606,179
Shares issue pursuant to the acquisition of subsidiaries and merger exercise	400,789	839,132	-	-	1,239,921	-	1,239,921
Acquisition of non-controlling interests, net	-	-	(38,165)	-	(38,165)	(352,480)	(390,645)
Dividend to non-controlling interest of a subsidiary	-	-	-	-	-	(44,475)	(44,475)
Total transaction with owners	<u>987,789</u>	<u>1,858,311</u>	<u>(38,165)</u>	<u>-</u>	<u>2,807,935</u>	<u>(396,955)</u>	<u>2,410,980</u>
At 30 April 2013	<u>5,992,155</u>	<u>2,101,197</u>	<u>(91,787)</u>	<u>1,202,740</u>	<u>9,204,305</u>	<u>5,628</u>	<u>9,209,933</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

The unaudited condensed consolidated interim financial statements for the period ended 30 April 2014 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"). These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The unaudited condensed consolidated interim financial statements for the period ended 30 April 2014 should be read in conjunction with the audited financial statements for the financial year ended 31 January 2014.

The accounting policies and methods of computation adopted by SapuraKencana Petroleum Berhad ("the Company") and its subsidiaries ("the Group") in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 January 2014. The audited financial statements of the Group for the year ended 31 January 2014 were prepared in accordance with MFRS.

As of 1 February 2014, the Group has adopted Amendments to MFRS and IC Interpretation that have been issued by the MASB as listed below:

	Effective for annual periods beginning on or after
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21: Levies	1 January 2014

The adoption of the above standards and interpretations does not have material impact on the financial statements in the period of application.

MFRS and amendments effective for annual periods beginning on or after July 2014:

Amendments to MFRS 2: Share-based Payment (Annual Improvements 2010-2012 Cycle)
 Amendments to MFRS 3: Business Combinations (Annual Improvements 2010-2012 Cycle)
 Amendments to MFRS 3: Business Combinations (Annual Improvements 2011-2013 Cycle)
 Amendments to MFRS 8: Operating Segments (Annual Improvements 2010-2012 Cycle)
 Amendments to MFRS 13: Fair Value Measurement (Annual Improvements 2011-2013 Cycle)
 Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2011-2012 Cycle)
 Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions
 Amendments to MFRS 124: Related Party Disclosures(Annual Improvements 2010-2012 Cycle)
 Amendments to MFRS 138: Intangible Assets (Annual Improvements 2010-2012 Cycle)
 Amendments to MFRS 140: Investment Property (Annual Improvements 2011-2013 Cycle)

2. Seasonality and cyclicity of operations

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

3. Unusual items due to their nature, size and incidence

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows for the current financial period.

4. Changes in estimates

There were no changes in estimates that have a material effect in the current financial period.

5. Debts and equity securities

The RM700 million outstanding Sukuk Mudharabah Programme was fully redeemed by the Company on 7 February 2014.

6. Subsequent events

On 22 May 2014 the Company announced its proposal to establish and implement a Proposed Share Issuance Scheme of up to five percent (5%) of the issued and paid-up share capital of the Company at any point in time during the duration of the Proposed Share Issuance Scheme. The Proposed Share Issuance Scheme will be implemented for the eligible employees and executive directors of SKPB and its subsidiaries that are: (i) not dormant, (ii) who fulfil the eligibility criteria set out by the Company and (iii) who are awarded by a committee to be established to administer the Proposed Share Issuance Scheme.

The Proposed Share Issuance Scheme is intended to allow the Company to award the grant of ordinary shares of RM1.00 each in SKPB to be vested to the selected Eligible Employees for the attainment of identified performance objectives of the Group.

Other than disclosed above, there was no other material event subsequent to 30 April 2014 which has not been reflected in the interim financial statements.

7. Changes in the composition of the Group

On 11 February 2014, the Group has completed the acquisition of SapuraKencana Energy Inc. Group ("SKEI") (formerly known as Newfield Malaysia Holding Inc.) and paid USD896 million (RM3.0 billion) as purchase consideration.

The fair value of the identifiable assets and liabilities of SKEI's business as at the date of acquisition was:

	Fair value recognised on acquisition RM'000
Assets	
Expenditures on oil and gas properties	4,339,994
Property, plant and equipment	7,089
Deferred tax assets	119,663
Inventories	279,571
Trade and other receivables	206,810
Tax recoverable	50,673
Cash and cash equivalents	<u>310,561</u>
	<u>5,314,361</u>
Liabilities	
Trade and other payables	(757,367)
Borrowings	(22,918)
Provision for liabilities	(165,268)
Provision for tax	(82,384)
Deferred tax liabilities	<u>(1,122,748)</u>
	<u>(2,150,685)</u>
Fair value of identifiable net assets	3,163,676
Gain arising from acquisition of subsidiaries	<u>(177,842)</u>
Total cost of business combination	<u>2,985,834</u>
Purchase consideration consists of:	
Cash	<u>2,985,834</u>
Analysis of cash flows on acquisition:	
Total cash paid	2,985,834
Less: Cash and cash equivalents of subsidiaries acquired	<u>(310,561)</u>
Net cash flow on acquisition	<u>2,675,273</u>

There was no other change in the composition of the Group during the current financial period, except as disclosed above.

As permitted by MFRS 3: Business Combinations, allocation of the purchase price will be finalised within one year from acquisition date to determine the fair values of acquired tangible assets and liabilities and identifiable intangible assets.

8. Contingent liabilities

The Group has provided corporate guarantees to financial institutions for credit facilities granted to joint venture companies amounting to RM589.5 million (31 January 2014: RM610.3 million).

9. Capital commitments

Capital expenditure for property, plant and equipment approved and not provided for in the unaudited condensed consolidated interim financial statement as at 30 April 2014 are as follows:

Approved and contracted for:

	30/04/2014
	RM'000
Property, plant and equipment	
Group	1,317,729
Share of capital commitment in joint venture companies*	1,949,426
Equity commitment in joint venture companies	<u>20,006</u>
Total	<u><u>3,287,161</u></u>

* *These capital commitments will be self-funded by the joint venture companies without financial assistance from the Group*

10. Taxation

Taxation comprises the following:

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/04/2014 RM'000	Preceding year corresponding quarter 30/04/2013 RM'000	Three months to 30/04/2014 RM'000	Three months to 30/04/2013 RM'000
Current taxation:				
Malaysian taxation	127,950	25,208	127,950	25,208
Foreign taxation	16,524	1,209	16,524	1,209
Deferred taxation	<u>(15,572)</u>	<u>4,432</u>	<u>(15,572)</u>	<u>4,432</u>
	<u><u>128,902</u></u>	<u><u>30,849</u></u>	<u><u>128,902</u></u>	<u><u>30,849</u></u>

11. (a) Status of corporate proposals announced

There were no corporate proposals announced but not completed as at the date of this announcement.

(b) Status of utilization of proceeds

There were no utilization of proceeds as at the date of this announcement.

12. Borrowings

(a) The Group's borrowings as at 30 April 2014 and 31 January 2014 are as follows:

	30/04/2014	31/01/2014
	RM'000	RM'000
Short term borrowings		
Secured	114,269	741,709
Unsecured	<u>1,127,286</u>	<u>292,653</u>
	<u>1,241,555</u>	<u>1,034,362</u>
Long term borrowings		
Secured	37,741	11,326,261
Unsecured	<u>13,961,920</u>	<u>-</u>
	<u>13,999,661</u>	<u>11,326,261</u>
	<u>15,241,216</u>	<u>12,360,623</u>

(b) Included in the borrowings are foreign borrowings as follows:

	30/04/2014
	RM'000
United States Dollar	<u>11,769,300</u>

On 18 March 2014, SapuraKencana TMC Sdn Bhd ("SKTMC") entered into a facilities agreement with amongst others 13 domestic and international financial institutions for multi-currencies credit facilities of up to USD5.5 billion equivalent comprising term facilities and revolving credit facilities (collectively "Credit Facilities").

The Credit Facilities which are unsecured were undertaken as part of the Group's on-going capital management initiatives.

13. Derivative financial instruments

The derivative financial instruments previously held by the Group were terminated during the financial period following refinancing of the Group's existing loans.

14. Realised and unrealised profits

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits is as follows:

	30/04/2014
	RM'000
Total retained profits of the Group	
- Realised	3,221,672
- Unrealised	(928,259)
	<u>2,293,413</u>
Joint ventures and associated companies	
- Realised	358,267
- Unrealised	(9,839)
	<u>348,428</u>
Total Group retained profits	2,641,841
Less: Consolidation adjustments	(22,479)
Total Group retained profits as per consolidated accounts	<u>2,619,362</u>

15. Material litigation

On 20 February 2006, Sarku Engineering Services Sdn. Bhd. ("SESSB"), a wholly-owned subsidiary of the Company entered into a contract with Oil and Natural Gas Corporation Limited ("ONGC") for the performance of works by SESSB to revamp 26 well platforms located in Mumbai High South field offshore site ("Contract").

On 21 September 2012, SESSB commenced arbitration proceedings by filing a statement of claim against ONGC in relation to disputes pursuant to the Contract for a sum of Indian Rupee ("INR") 1,063,759,201 and USD123,819,632 (including interest, costs, losses and damages).

On 17 December 2012, ONGC has filed their reply to the Statement of Claim. No counter claims have been filed by ONGC. Documents and witness statements have been filed.

Further examination in chief took place in January 2014 whereby revised list of documents were exchanged and has been taken on record.

SESSB has been informed by its solicitors in May 2014, that the proceedings originally scheduled for 5 to 7 May have been cancelled upon ONGC's request and the next dates are 18 and 19 July 2014 and 11 to 14 August 2014.

SESSB has been advised by its solicitors, that SESSB has a reasonable basis for its claims against ONGC.

There was no other material litigation that may, upon materialisation, have a material effect on the Group's financial results or position, except as disclosed above.

16. Segment information

	<u>3 months to 30/04/2014</u>	
	Revenue RM'000	Operating profit RM'000
Offshore Construction and Subsea Services ("OCSS")	701,147	148,632
Drilling and Energy Services ("DES")	1,381,319	532,388
Fabrication, Hook -Up and Commissioning ("FAB & HUC")	448,859	78,848
	<u>2,531,325</u>	<u>759,868</u>
Corporate expenses and eliminations	(87,757)	(120,854)
Group revenue / profit before taxation	<u>2,443,568</u>	<u>639,014</u>

DES segment in current quarter includes:

- Revenues from Drilling of RM645.0 million and Energy Services of RM736.3 million; and
- Operating profits from Drilling of RM156.6 million and Energy Services of RM375.8 million.

17. Review of performance

17.1 Current quarter vs. corresponding quarter of the preceding year

	Revenue 3 months to		Operating profit 3 months to	
	30/04/2014 RM'000	30/04/2013 RM'000	30/04/2014 RM'000	30/04/2013 RM'000
Business Segments:				
OCSS	701,147	814,166	148,632	101,383
DES	1,381,319	262,141	532,388	97,409
FAB & HUC	448,859	553,983	78,848	90,885
	<u>2,531,325</u>	<u>1,630,290</u>	<u>759,868</u>	<u>289,677</u>
Corporate expenses and eliminations	(87,757)	(7,768)	(120,854)	(130,186)
Group revenue/ profit before taxation	<u>2,443,568</u>	<u>1,622,522</u>	<u>639,014</u>	<u>159,491</u>

Note:

Effective from first quarter ended 30 April 2014, the Group recognised corporate expenses and consolidation adjustments as a single line. Similar adjustments were made to the previous quarters to enable comparison of operational performance.

17. Review of performance (cont'd.)

17.1 Current quarter vs. corresponding quarter of the preceding year (cont'd.)

Group

Group revenue and profit before taxation for the current quarter increased by RM821.0 million or 50.6% and RM479.5 million or 300.7%, respectively compared to corresponding quarter of the preceding year ("Q1 FY2014"). This is primarily due to inclusion of tender rig business subsequent to the completion of its acquisition on 30 April 2013, as well as the inclusion of SKEI business subsequent to completion of its acquisition on 11 February 2014.

The Group also recognised RM177.8 million gain arising from the acquisition of SKEI.

Business Segments:

Offshore Construction and Subsea Services

The segment revenue for current quarter decreased by RM113.0 million or 13.9% compared to Q1 FY2014, mainly due to lower revenue from Domgas project as it approached completion. However this was cushioned by higher revenue from contractual works commenced and executed during the quarter.

Profit before taxation recorded an increase of RM47.2 million or 46.6% compared to Q1 FY2014, mainly due to higher contribution from contracts executed during the quarter and favourable results recorded by a joint venture entity, SapuraAcergy Sdn Bhd on completion of the Gumusut project.

Drilling and Energy Services

The segment revenue and profit before taxation for current quarter increased by RM1,119.2 million or 426.9% and RM435.0 million or 446.5% respectively compared to Q1 FY2014, primarily due to inclusion of tender rig business subsequent to the completion of its acquisition on 30 April 2013, and the inclusion of SKEI business subsequent to completion of its acquisition on 11 February 2014. This was combined with RM177.8 million gain arising from the acquisition further contributed to the increase in segment profit before taxation.

Fabrication, Hook -Up and Commissioning

The segment revenue for current quarter was lower by RM105.1 million or 19.0% compared to Q1 FY2014 mainly due to lower contributions from a number of projects which are nearing completion stage.

The segment posted comparatively lower profit before tax for the quarter, in line with lower revenue as outlined above.

18. Review of performance as compared to the immediate preceding quarter

Group revenue of RM2,443.6 million was RM559.4 million or 29.7% higher as compared to the immediate preceding quarter ("Q4 FY14") of RM1,884.2 million. Group profit before taxation of RM639.0 million was RM364.8 million or 133.0% higher as compared to Q4 FY14 of RM274.2 million.

The increase in revenue and profit before taxation primarily due to inclusion of SKEI business' financial results subsequent to completion of its acquisition on 11 February 2014. The group also recognised RM177.8 million gain on acquisition of SKEI business during the quarter.

19. (a) Commentary on prospects

Revenue for the year is expected to reflect an additional 3 months' contribution from the tender rigs business as compared to FY2014, as well as from the producing upstream assets of SKEI Group which were acquired in February 2014.

The Group also expects to benefit from both existing contracted assets, as well as assets which will be deployed in new markets such as Brazil , Ivory Coast and Republic of Congo.

With an order book of RM27 billion consisting of contracts that span up to 2024, the Board continues to believe that prospects of the Group are positive.

(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.

20. Dividend

In respect of the financial year ending 31 January 2015, Board of Directors has declared:

- (a) A tax exempt single tier interim dividend of 1.35 sen per share (30 April 2013: Nil); and
- (b) A tax exempt single tier special dividend of 1.00 sen per share.

The dividend will be paid on 21 July 2014 to shareholders registered at the close of business on 4 July 2014. A depositor shall qualify for entitlement only in respect of:

- (i) securities transferred into the Depositor's Securities Account before 4:00 pm on 4 July 2014 in respect of Ordinary Transfer;
- (ii) shares bought on the BMSB on a cum entitlement basis according to the rules of BMSB.

21. Earnings per share

	Individual Quarter		Cumulative Quarter	
	3 months to 30/04/2014	3 months to 30/04/2013	3 months to 30/04/2014	3 months to 30/04/2013
Basic				
Profit attributable to owners of the Parent (RM'000)	509,420	93,668	509,420	93,668
Weighted average number of ordinary shares in issue ('000)	5,992,155	5,992,155	5,992,155	5,992,155
Basic earnings per share (sen)	8.50	1.56	8.50	1.56

By Order of the Board

Kuala Lumpur
19 June 2014

Mohamad Affendi bin Yusoff
MACS 01596

Ng Heng Hooi
MAICSA 7048492

Company Secretaries