

DELEUM BERHAD
(Company No: 715640-T)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2008

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DELEUM BERHAD
(Company No: 715640-T)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2008

ANNOUNCEMENT

The Board of Directors of Deleum Berhad ("Deleum" or "the Company") is pleased to announce the following unaudited consolidated results for the second quarter ended 30 June 2008 which should be read in conjunction with the audited financial statements of Deleum and its subsidiaries (the Group) for the financial year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED INTERIM CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER ENDED 30 JUNE 2008**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30/06/2008 RM'000	QUARTER ENDED 30/06/2007 RM'000	PERIOD ENDED 30/06/2008 RM'000	PERIOD ENDED 30/06/2007 RM'000
Revenue	81,591	261,658	165,188	381,493
Cost of sales	(72,158)	(247,838)	(148,299)	(356,501)
Gross profit	<u>9,433</u>	<u>13,820</u>	<u>16,889</u>	<u>24,992</u>
Other operating income	983	528	1,487	776
Selling and distribution costs	(335)	(1,188)	(920)	(1,545)
Administrative expenses	(5,285)	(5,097)	(9,840)	(9,416)
Other operating expenses	(440)	(1,071)	(1,661)	(1,639)
Finance costs	(131)	(126)	(235)	(190)
Share of results of associates	2,110	2,386	7,909	4,749
Profit before tax	<u>6,335</u>	<u>9,252</u>	<u>13,629</u>	<u>17,727</u>
Tax expense	(1,350)	(1,882)	(1,880)	(3,983)
Profit for the financial period	<u><u>4,985</u></u>	<u><u>7,370</u></u>	<u><u>11,749</u></u>	<u><u>13,744</u></u>
Attributable to:				
Equity holders of the Company	4,426	6,854	10,302	12,537
Minority Interest	559	516	1,447	1,207
	<u><u>4,985</u></u>	<u><u>7,370</u></u>	<u><u>11,749</u></u>	<u><u>13,744</u></u>
Earnings per share (sen)				
- Basic	<u>4.43</u>	<u>6.85</u>	<u>10.30</u>	<u>12.54</u>

DELEUM BERHAD
(Company No: 715640-T)

UNAUDITED INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2008
CONSOLIDATED BALANCE SHEET

	As at 30/06/2008	As at 31/12/2007
	RM'000	RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	43,313	39,439
Investment properties	1,042	1,053
Prepaid lease payments	3,985	4,012
Associates	32,556	31,562
Other investments	2	2
	<u>80,898</u>	<u>76,068</u>
CURRENT ASSETS		
Inventories	3,079	4,123
Amounts due from associates	450	110
Trade receivables	80,708	91,119
Other receivables, deposits and prepayments	4,974	4,150
Tax recoverable	1,674	1,525
Deposits with licensed banks	46,929	50,250
Cash and bank balances	31,789	11,028
	<u>169,603</u>	<u>162,305</u>
LESS: CURRENT LIABILITIES		
Trade payables	86,082	72,657
Other payables and accruals	5,606	8,866
Taxation	1,470	1,818
Borrowings	1,036	1,096
Dividend payable	68	47
	<u>94,262</u>	<u>84,484</u>
NET CURRENT ASSETS	<u>75,341</u>	<u>77,821</u>
LESS: NON-CURRENT LIABILITIES		
Deferred tax liabilities	777	988
Term loan (secured)	5,508	6,007
	<u>6,285</u>	<u>6,995</u>
	<u>149,954</u>	<u>146,894</u>
CAPITAL AND RESERVES		
Attributable to the shareholders of the Company		
Share capital	100,000	80,000
Share premium	-	20,000
Retained earnings	89,384	85,002
Merger deficit	(50,000)	(50,000)
Currency translation differences	(2,662)	(2,422)
	<u>136,722</u>	<u>132,580</u>
MINORITY INTEREST	13,232	14,314
TOTAL EQUITY	<u>149,954</u>	<u>146,894</u>
Net assets per share attributable to equity holders of the Company (RM)	1.37	1.66

DELEUM BERHAD
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UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2008

Attributable to the equity holders of the Company

	Share capital RM'000	Share premium RM'000	Currency translation differences RM'000	Merger deficit RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
At 1 January 2007	60,000	-	(1,448)	(50,000)	69,951	78,503	15,687	94,190
Issuance of shares								
- Rights Issue	6,000	-	-	-	-	6,000	-	6,000
- Public Issue	14,000	21,700	-	-	-	35,700	-	35,700
Share issue expenses	-	(1,630)	-	-	-	(1,630)	-	(1,630)
Profit for the financial period	-	-	-	-	12,537	12,537	1,207	13,744
Dividend	-	-	-	-	(7,102)	(7,102)	(3,010)	(10,112)
Currency translation differences	-	-	(547)	-	-	(547)	(426)	(973)
At 30 June 2007	<u>80,000</u>	<u>20,070</u>	<u>(1,995)</u>	<u>(50,000)</u>	<u>75,386</u>	<u>123,461</u>	<u>13,458</u>	<u>136,919</u>
At 1 January 2008	80,000	20,000	(2,422)	(50,000)	85,002	132,580	14,314	146,894
Issuance of shares								
- Bonus Issue	20,000	(20,000)	-	-	-	-	-	-
Profit for the financial period	-	-	-	-	10,302	10,302	1,447	11,749
Dividend	-	-	-	-	(5,920)	(5,920)	(2,351)	(8,271)
Currency translation differences	-	-	(240)	-	-	(240)	(178)	(418)
At 30 June 2008	<u>100,000</u>	<u>-</u>	<u>(2,662)</u>	<u>(50,000)</u>	<u>89,384</u>	<u>136,722</u>	<u>13,232</u>	<u>149,954</u>

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UNAUDITED INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 JUNE 2008

	CUMULATIVE QUARTER	
	Period Ended 30/06/2008 RM'000	Period Ended 30/06/2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial period	11,749	13,744
<u>Adjustments for:</u>		
Allowance for doubtful debts written back	-	(266)
Interest income	(777)	(569)
Interest expense	235	190
Property, plant and equipment		
- Depreciation	2,862	2,112
Share of results of associates	(7,909)	(4,749)
Tax expense	1,880	3,983
Others	(283)	(347)
Non cash adjustments	<u>7,757</u>	<u>14,098</u>
Working capital changes	20,777	17,701
Interest received	772	569
Tax paid	(2,593)	(3,068)
Interest paid	(235)	(190)
Net cash generated from operating activities	<u>26,478</u>	<u>29,110</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from issuance of shares	-	41,700
Share issue expenses	-	(2,000)
Property plant and equipment		
- Purchases	(6,698)	(8,424)
- Proceeds from disposals	-	295
Dividends received from associate	6,592	6,946
Net cash (used in) / generated from investing activities	<u>(106)</u>	<u>38,517</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings:		
- Proceeds	-	6,072
- Repayments	(557)	(681)
Dividends paid to:		
- Shareholders	(5,920)	(7,102)
- Minority interest	(2,351)	(2,321)
Net cash used in financing activities	<u>(8,828)</u>	<u>(4,032)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	17,544	63,595
FOREIGN EXCHANGE RESERVE	(101)	(101)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	61,275	41,048
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>78,718</u>	<u>104,542</u>
Cash and cash equivalents at the end of the period comprise the following:		
Cash and bank balances	31,789	24,334
Deposits with licensed banks	46,929	80,208
	<u>78,718</u>	<u>104,542</u>

DELEUM BERHAD
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**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2008**

PART A – EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The unaudited interim financial report has been prepared in accordance with the reporting requirements as set out in Financial Reporting Standards (“FRS”) No.134 – “Interim Financial Reporting (2007)” effective for financial statements covering the financial period beginning 1 January 2008 and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007 and the attached explanatory notes. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2007.

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those of the annual financial statements for the financial year ended 31 December 2007 except for the adoption of the following new accounting standards and amendment to published standards issued by MASB that are effective for the Group’s financial years beginning on or after 1 January 2008:

- Amendment to FRS 121 The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operations (effective for accounting periods beginning on or after 1 July 2007). This amendment requires exchange differences on monetary items that form part of the net investment in a foreign operation to be recognised in equity instead of in profit or loss regardless of the currency in which these items are denominated in.
- FRS 112 Income Taxes (effective for accounting periods beginning on or after 1 July 2007). This revised standard removes the requirements that prohibit recognition of deferred tax on unutilised reinvestment allowances or other allowances in excess of capital allowances.
- Other revised standards (effective for accounting periods beginning on or after 1 July 2007) that have no significant changes compared to the original standards:
 - FRS 107 Cash Flow Statements
 - FRS 118 Revenue
 - FRS 137 Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above amendments and standards do not have a material impact on the Group.

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**UNAUDITED INTERIM FINANCIAL REPORT
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PART A – EXPLANATORY NOTES (Cont'd)

A2. QUALIFICATION OF PRECEDING ANNUAL AUDITED STATUTORY FINANCIAL STATEMENTS

There was no qualification to the preceding annual audited statutory financial statements.

A3. SEASONAL OR CYCLICAL FACTORS

The Group's operation is not affected by any significant seasonal or cyclical factors in the quarter under review.

A4. NATURE AND AMOUNT OF ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME, OR CASH FLOWS THAT ARE UNUSUAL BECAUSE OF THEIR NATURE, SIZE, OR INCIDENCE

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flows during the current financial period ended 30 June 2008, except for the reversal of an allowance for doubtful debts in the previous quarter made at the Group level for an associate company of RM2.56 million which is no longer required.

A5. NATURE AND AMOUNT OF CHANGES IN ESTIMATES OF AMOUNTS REPORTED IN PRIOR FINANCIAL YEARS, IF THOSE CHANGES HAVE A MATERIAL EFFECT IN THE CURRENT INTERIM PERIOD

There were no material changes to estimates made in prior periods that have had a material effect in the current financial period results, except for the matter referred to in A4.

A6. EQUITY AND DEBT SECURITIES

On 25 June 2008 the issued and paid-up share capital of the Company was increased by RM20,000,000 by way of bonus issue of 20,000,000 new Ordinary Shares of RM1.00 each in the Company, credited as fully paid-up, on the basis of one (1) new Ordinary Share of RM1.00 each for every four (4) existing Ordinary Share of RM1.00 each held in the Company.

Save as disclosed above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter and financial year-to-date.

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**UNAUDITED INTERIM FINANCIAL REPORT
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PART A – EXPLANATORY NOTES (Cont'd)

A7. DIVIDEND PAID

During the second quarter of the current financial year, the Company paid the following interim dividend on 80,000,000 ordinary shares in respect of the financial year ended 31 December 2007:

	RM'000
Interim gross dividend of 10 sen per share, less income tax of 26% paid on 2 April 2008	<u>5,920</u>

A8. SEGMENTAL REPORTING

The Group is organised into three main business segments:

- Specialised equipment and services – Mainly consist of provision of subsea production development, gas turbine packages and umbilicals.
- Oilfield equipment and services – Mainly consist of provision of wireline equipment and related services, wellhead maintenance services, gas turbine overhaul, supply of gas turbine parts and other oilfield equipment and technical services.
- Oilfield chemicals and other services – Development and provision of solid deposit removal solutions and speciality chemicals.

Other operations of the Group comprise mainly investment holding.

Inter-segment revenue comprise marketing fees charged to Turboservices Sdn. Bhd. based on agreed terms and conditions between the relevant parties.

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PART A – EXPLANATORY NOTES (Cont'd)

A8. SEGMENTAL REPORTING (Cont'd)

Segmental information for the financial period is as follows:

	Individual Quarter Ended 30/06/08 RM'000	Individual Quarter Ended 30/06/07 RM'000	Cumulative Quarter Ended 30/06/08 RM'000	Cumulative Quarter Ended 30/06/07 RM'000
<u>Segment Revenue</u>				
Specialised equipment and services				
External revenue	33,487	148,799	73,038	234,013
Specialised equipment and services	33,487	148,799	73,038	234,013
Oilfield equipment and services				
External revenue	46,550	112,473	89,042	145,708
Intersegment revenue	1,979	1,850	3,212	2,790
Oilfield equipment and services	48,529	114,323	92,254	148,498
Oilfield chemicals and other services				
External revenue	1,554	386	3,108	1,772
Oilfield chemicals and other services	1,554	386	3,108	1,772
Total reportable segments	83,570	263,508	168,400	384,283
Eliminations	(1,979)	(1,850)	(3,212)	(2,790)
Total Group revenue	81,591	261,658	165,188	381,493

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**UNAUDITED INTERIM FINANCIAL REPORT
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PART A – EXPLANATORY NOTES (Cont'd)

A8. SEGMENTAL REPORTING (Cont'd)

	Individual Quarter Ended 30/06/08 RM'000	Individual Quarter Ended 30/06/07 RM'000	Cumulative Quarter Ended 30/06/08 RM'000	Cumulative Quarter Ended 30/06/07 RM'000
<u>Segment Results</u>				
Specialised equipment and services	2,265	6,020	3,967	9,612
Oilfield equipment and services	3,900	5,043	5,986	9,690
Oilfield chemicals and other services	266	(688)	625	(359)
Others	341	517	797	752
Segment results	6,772	10,892	11,375	19,695
Unallocated corporate expenses	(2,416)	(3,900)	(5,420)	(6,527)
Finance costs	(131)	(126)	(235)	(190)
Share of results of associates	2,110	2,386	7,909	4,749
Tax expense	(1,350)	(1,882)	(1,880)	(3,983)
Profit for the financial period	4,985	7,370	11,749	13,744

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no revalued property, plant and equipment as at 30 June 2008.

A10. MATERIAL EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

There were no material subsequent events that took place subsequent to the balance sheet date except as disclosed in B8.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial period for the six months ended 30 June 2008.

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**UNAUDITED INTERIM FINANCIAL REPORT
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PART A – EXPLANATORY NOTES (Cont'd)

A12. CONTINGENT LIABILITIES / ASSETS

As at 30 June 2008, the Group does not have any contingent liabilities or assets except for guarantees in respect of credit facilities from licensed financial institutions and guarantees given to third parties in relation to operating requirements, utilities and maintenance contracts, amounting to RM25 million out of which RM12.6 has been utilised.

A13. COMMITMENTS

Capital commitments for property, plant and equipment not provided for as at 30 June 2008 are as follows:

	RM'000
Authorised and contracted for	<u>5,357</u>

A14. RELATED PARTY TRANSACTIONS

The following transaction is with a party related to a corporate shareholder of a subsidiary of the Group, Turboservices Sdn. Bhd.

	Individual Quarter Ended 30/06/08 RM'000	Individual Quarter Ended 30/06/07 RM'000	Cumulative Quarter Ended 30/06/08 RM'000	Cumulative Quarter Ended 30/06/07 RM'000
Purchases from Solar Turbines International Company	17,299	28,122	30,309	39,770

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**UNAUDITED INTERIM FINANCIAL REPORT
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**PART B – ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B
OF BURSA MALAYSIA LISTING REQUIREMENTS**

B1. PERFORMANCE REVIEW

For the current quarter under review and year to date, the Group revenue decreased by 69% to RM81.6 million and by 57% to RM165.2 million compared with the corresponding quarter and year to date respectively. The lower revenue recorded was due to lower billings of the specialised equipment and services segment mainly on account of the significantly higher number of projects completed and delivered to customers in the previous financial year. The decline was also felt in the oilfield equipment and services segment in the current quarter compared against the corresponding quarter of 2007 with certain maintenance contracts running in full capacity last year.

The profit before taxation for the current quarter under review and the year to date eased by 32% from RM9.3 million to RM6.3 million and by 23% from RM17.7 million to RM13.6 million respectively. The less than proportionate decrease in percentage terms is due partly to improved margins from services revenue earned in the services segment. Additionally, in respect of the year to date financial performance for the period ended 30 June 2008, this period included the reversal of an allowance for doubtful debts in an associate company amounting to RM2.56 million.

B2. MATERIAL CHANGE IN THE PROFIT BEFORE TAXATION AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

The Group's profit before taxation declined by RM1.0 million from RM7.3 million in the immediate preceding quarter to RM6.3 million in the current quarter. Excluding the reversal of the allowance referred to in B1, the underlying business operations have shown an improvement of 34% from RM4.7 million in the immediate preceding quarter to RM6.3 million in the current quarter.

B3. 2008 PROSPECTS

Due to the significant increase in activities over the previous years, the industry is now experiencing some deferment in projects and also project plans not moving as anticipated. In addition to that, the impact of the global economic slowdown has caused some pressures to the industry resulting in lower activity levels compared to previous year.

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**PART B – ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B
OF BURSA MALAYSIA LISTING REQUIREMENTS (Cont'd)**

B4. PROFIT FORECAST

The Group has not issued any profit forecast for the current financial year.

B5. TAXATION

	Individual Quarter Ended 30/06/08 RM'000	Individual Quarter Ended 30/06/07 RM'000	Cumulative Quarter Ended 30/06/08 RM'000	Cumulative Quarter Ended 30/06/07 RM'000
Current tax	1,325	1,268	1,902	3,360
Deferred tax	25	614	(22)	623
	1,350	1,882	1,880	3,983

Excluding the associates' results which are presented net of tax, the effective tax rate of the Group for the current quarter and financial year to date are higher than the statutory tax rate mainly due to certain expenses which are not deductible for tax purposes and tax losses of certain subsidiaries.

B6. PROFIT ON SALES OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of unquoted investments and/or properties during the current quarter under review and financial year to date.

B7. QUOTED SECURITIES

There were no quoted securities acquired or disposed of during the quarter and financial year to date.

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**PART B – ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B
OF BURSA MALAYSIA LISTING REQUIREMENTS (Cont'd)**

B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There was no outstanding corporate proposal announced as of 22 August 2008 (being the latest practicable date which shall not be earlier than 7 days from the date of issue of this report).

- (a) On 24 July 2008, the Company announced that all the conditions precedent under the Share Sale Agreement in connection with the proposed acquisition of 1,275,000 Ordinary Shares of RM1.00 each representing 51% equity interest in Penaga Dresser Sdn. Bhd. for a total consideration of RM7.25 million had been fulfilled. The acquisition through its 80% subsidiary, Delcom Holdings Sdn. Bhd. was completed on 1 August 2008.
- (b) On 24 April 2008, the Company proposed to undertake a bonus issue of 20,000,000 Ordinary Shares of RM1.00 each in the Company to be credited as fully paid-up, on the basis of one (1) new Ordinary Share of RM1.00 each for every four (4) existing Ordinary Shares of RM1.00 each held in the Company ("Proposed Bonus Issue").

Subsequently, Bursa Malaysia had vide its letter dated 7 May 2008 granted the approval-in-principle for the listing of and quotation for the 20,000,000 new Shares to be issued pursuant to the Proposed Bonus Issue. The Proposed Bonus Issue was approved by shareholders at the Annual General Meeting on 3 June 2008 which was announced on the same day.

On 25 June 2008, the Company announced that based on the Company's issued and paid-up share capital of 80,000,000 shares as at 23 June 2008 (being the ex-date for the Bonus Issue), an additional 20,000,000 new shares were issued pursuant to the Bonus Issue and was listed and quoted on the Main Board of Bursa Malaysia on 26 June 2008. The Bonus Issue was made through the capitalisation of the share premium account.

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**PART B – ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B
OF BURSA MALAYSIA LISTING REQUIREMENTS (Cont'd)**

B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED (Cont'd)

(c) On 1 June 2007, the Company was listed on the Main Board of Bursa Malaysia. The status of utilisation of the listing proceeds from the Initial Public Offering exercise are as follows: -

Purpose	Proposed Utilisation RM'000	Actual Utilisation @ 30/06/2008 RM'000	Transferred to Working Capital* RM'000	Intended Timeframe for Utilisation	Balance RM'000
i Working Capital :					
- Expansion of Business and markets	12,000	-	-	Within 24 months	12,000
- Existing Operations	5,700	5,700	-	Within 12 months	-
ii Capital Expenditure :					
- Oilfield Equipment	15,000	8,587	-	Within 24 months	6,413
- Investment in facilities	6,000	6,000	-	Within 12 months	-
iii Estimated Listing expenses					
- Share issue expense	2,500	1,700	800	Immediate	-
- Listing expenses	500	500	-		-
	<u>41,700</u>	<u>22,487</u>	<u>800</u>		<u>18,413</u>

* In accordance with the provision of the Prospectus.

B9. GROUP BORROWINGS

The amounts of Group borrowings as at 30 June 2008, are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
Term Loan (Secured)	<u>1,036</u>	<u>5,508</u>	<u>6,544</u>

The borrowings are all denominated in Ringgit Malaysia.

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**PART B – ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B
OF BURSA MALAYSIA LISTING REQUIREMENTS (Cont'd)**

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

Derivative financial instruments are used to reduce the Group's exposure to fluctuations in foreign exchange rates and are viewed as risk management tools by the Group and not used for trading or speculative purposes.

Off balance sheet financial instruments as at 22 August 2008 are as follows:-

	Contract amount
	RM'000
Foreign exchange forward purchase contracts	<u>25,613</u>

The above contracts in US Dollars will mature within a period of one to two months.

There is minimal credit and market risk because the contracts were executed with an established financial institution.

Gains and losses on foreign exchange forward contracts are recognised in the income statements upon realisation.

B11. CHANGES IN LITIGATION

Save as disclosed in the first quarter announcement dated 22 May 2008, there were no other material litigation as at 22 August 2008.

B12. DIVIDEND

The Board of Directors have, in respect of the financial year ending 31 December 2008, declared a first interim dividend of 5.0 sen single tier exempt dividend per ordinary share (2007: gross interim dividend of 5.0 sen per ordinary share less income tax of 27%) on 100,000,000 (2007 : 80,000,000) ordinary shares.

The dividend will be payable on 29 September 2008 to shareholders of ordinary shares whose names appear in the Record of Depositors at the close of business on 18 September 2008.

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(COMPANY NO: 715640-T)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2008**

**PART B – ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B
OF BURSA MALAYSIA LISTING REQUIREMENTS (Cont'd)**

B12. DIVIDEND (Cont'd)

A Depositor shall qualify for the entitlement only in respect of: -

- (i) shares transferred into the Depositor's securities account before 4.00 p.m. on 18 September 2008 in respect of ordinary transfers; and
- (ii) shares bought on Bursa Malaysia on a cum entitlement basis according to the Rules of the Bursa Malaysia Listing Requirements.

Total dividend for the current financial year ending 31 December 2008 is 5.0 sen per ordinary share.

B13. EARNINGS PER SHARE ("EPS")

The calculations of basic earnings per share for the reporting period are computed as follows:

	Individual Quarter Ended 30/06/08 RM'000	Individual Quarter Ended 30/06/07 RM'000	Cumulative Quarter Ended 30/06/08 RM'000	Cumulative Quarter Ended 30/06/07 RM'000
Basic earnings per share				
Profit attributable to equity holders of the Company	4,426	6,854	10,302	12,537
Weighted average number of ordinary shares	100,000	100,000	100,000	100,000
Basic earnings per share	4.43 sen	6.85 sen	10.30 sen	12.54 sen

The diluted earnings per share for the Group are not presented as there is no dilutive potential ordinary share during the financial period.

DELEUM BERHAD
(COMPANY NO: 715640-T)

**UNAUDITED INTERIM FINANCIAL REPORT
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**PART B – ADDITIONAL INFORMATION AS REQUIRED BY PART A OF APPENDIX 9B
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B14. AUTHORISATION OF ISSUE

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated on 29 August 2008.

By order of the Board

Lim Hooi Mooi (MAICSA no. 0799764)
Lee Sew Bee (MAICSA no. 0791319)
Joint Company Secretaries
Kuala Lumpur
29 August 2008