FOCUS

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HATCHES & MATCHES
WE’VE ONLY JUST ENTERED 2009, BUT THIS YEAR IS UNFOLDING AS ONE OF THE MOST CHALLENGING ECONOMIC PERIODS EVER RECORDED IN HISTORY. MORE AND MORE NATIONS WILL DECLARE RECESSION, AND GLOBAL RATES OF BANKRUPTCY AND UNEMPLOYMENT ARE RISING AS COMPANIES GO UNDER.

In times like this it’s natural to feel uncertain. One key measure is to expand our capabilities by investing judiciously in order to continue to create value and remain relevant. We are committed to the Mumbai Monorail project, which remains on track despite the tragic events of recent months. We firmly believe that India has a long history of rising above such events to be a stronger and better nation.

Scomi also aims to take advantage of new emerging opportunities. Related diversification is critical in order to add value to existing businesses so we don’t stagnate and revenue streams don’t dwindle. Recently, we scored a coup by clinching a major drilling waste management contract that incorporates new green wastewater treatment technology with BP Norway for the very first time. Green initiatives will be the wave of the future as the global economy moves from being primarily a resource-extractive model to one focused on conservation and sustainability, and Scomi plans to ride that upcoming wave.

Moving on, our Energy Logistics division intends to invest in right-priced vessels now that asset bubbles are unwinding. The vessels we are looking into cater to the offshore support business where demand from petroleum majors remains robust. We have also made a breakthrough by locking in long-term coal and petroleum logistics contracts and will need to invest in new additional bulk vessels and tankers to cater to demand from emerging Asian markets.

To fund these initiatives Scomi proposed a renounceable rights issue of 500 million shares on the basis of one rights share for every two SGB shares held at an issue price of RM0.30 per rights share to raise a total of RM120 million. Despite the downbeat environment for fund-raising as markets and lenders remain jittery and risk-averse, we are confident that our shareholders will step up to provide us with the capital injection needed based on our future growth prospects as well as our reassuring track record.

Finally, I’d like to reassure our people who are the backbone of this enterprise that resources are being utilised more effectively to ensure that we all go full steam ahead despite the slowdown. This long-term correction should be viewed as an opportunity to reduce cost. We are implementing cost cuts, but the estimated savings over three years of approximately USD100 million will be ploughed back into improving our people, processes and technologies, cornerstones of Formula 2011.

This year will be a tougher year for us but I am confident if we stay focused and committed to our goals and strategic direction we will come out of this turmoil a better and stronger organisation. I hope that all of you will join together with me to plan and act positively in order to achieve the goals outlined in Formula 2011. Let’s channel all our energy into making our work and lives better.

Best Wishes,
Shah Hakim Zain
Group CEO
Group CEO, Mr. Shah Hakim Zain launched FORMULA 2011 in the presence of the staff of Scomi on 25 November 2008 to officially declare that the race to grow returns, technological innovation and be recognised by customers as the best, was finally on.

FORMULA 2011 is a three-year plan that will assist the Group to focus on its goals, inculcate teamwork, prioritise jobs and be creative and more effective while executing job responsibilities.

The plan clearly identifies the Group's corporate statement, corporate strategic goals and stresses that processes, people and brand values are crucial for continued success.

In his presentation to the staff on the merits of FORMULA 2011, the Group CEO said the winning formula was $US + e^2 = \text{effective execution}$.

As in all organisations, people play a crucial role in driving a company's success. And so it is with FORMULA 2011 as it constantly drives home the message that every employee is an important contributor to Team Scomi. As such becoming a high-speed, high-performance team player is the
mission to be accomplished.
In the next three years, staff will invariably come across these terms in the course of their duties – Meticulous, Customer, Ambitious, Muscle and Conscientious, among a host of others. The important thing to remember is that every one of these terms contains the word *us*.

To illustrate the important role people play in our organisation, we took the opportunity to personalise the internal launch of FORMULA 2011 by involving the staff in various ways.

First we celebrated the birthday of all November babies! There was a huge cake and everyone sang ‘Happy Birthday To You’ at the top of their lungs. This was followed by a pop-quiz on matters of general knowledge. While this required participants to be smart in order to win, more importantly, the quiz encouraged teamwork – one of the key prerequisites of FORMULA 2011. The group was divided into teams and everyone pitched-in to answer the questions correctly. This activity generated a round of frenzied cheering and laughing and drove home the importance of working as one for a common goal.

We ended the launch on a high note with refreshments and everyone felt energised to start the year on the right foot. With FORMULA 2011 now in full-speed ahead, here’s wishing everyone in the Scomi Group, no matter where in the world you may be, all the very best.

*See you at the finish line…!*
SAP – a Global Operating Platform for Scomi went live on 3 November 2008, marking yet another milestone for Wave 2 countries.

The launch took place in the heart of the City of Gold – Dubai, the central location between the MENAT and EUROPE regions.

Group Chief Financial Officer, Mr. Syahrunizam Samsudin officiated the event through a mass conference call in the presence of representatives from UAE, Algeria, Egypt, Iran, Saudi Arabia, Turkmenistan, Oman, Pakistan, UK, Russia, Norway and Malaysia.

During the call, he expressed his gratitude and reminded everyone of the importance of fully utilising the SAP system. A slide show then followed portraying the unforgettable journey of the SAP implementation for Wave 2.

Contributed by: Haslinda Hashim - Scomi Group, K.L
Scomi Oiltools (Europe) Ltd. announced on 18 December 2008 that the company had won a major drilling waste management contract with BP Norway, the first of its kind for them.

Worth USD12 million with a potential of USD24 million, the project duration will be up to four years with the option to extend for an additional two years.

For the offshore portion under the contract, Scomi Oiltools will provide drilling waste management solutions for BP on their rig located in the Skarv field development. For onshore works, the company will be handling and processing all drilling waste including waste water.

In line with regulatory requirements on the degree of total organic content in waste water for disposal, Scomi Oiltools introduced a faster, more superior technology for the treatment of waste water to enhance reduction of total organic carbon content prior to disposal.

Under the contract, Scomi Oiltools will collaborate with Veolia, Norway’s leading environmental services provider. While Scomi provides its technical R&D expertise, waste management equipment and technology, Veolia will provide new facilities near the town of Sandnessjoen.

Online marketing is an effective communications tool to easily disseminate up-to-date information to people on a large scale. Besides this, it helps create awareness about Scomi and its product portfolio.

As you know, Scomi Rail was the first to step-up to the plate when it launched its blog called ‘Trainspotting’ in July last year. This was soon followed by the launch of an e-newsletter for the rail business titled ‘On Track’. Since then, much has taken place to further our online marketing efforts.

The most recent development was the launch of the Scomi Rail website on 6 December 2008. A joint-effort between Group Marketing and Scomi Rail, Group IT was also part of this endeavour. The website can be accessed at www.scomirail.com.

The second edition of ‘On Track’ soon followed on 23 December with its top story being the awarding of a contract to Scomi Engineering Bhd in November to construct Mumbai’s first Monorail system.

For this year, Scomi Oiltools is currently in the final stages of its online marketing effort to launch its very own e-newsletter called ‘In The Flowline’. Be sure to look out for this in the coming weeks.
Scomi Marine Plans Bold Expansion Move

A whopping USD150 million is being raised to expand the marine fleet of Scomi Marine Bhd at a time when most others cut down on spending due to the uncertain economic outlook.

According to its President, Mr. Mukhnizam Mahmud, this was a deliberate move that has allowed the company to capitalise on more attractive and realistic prices due to the current market downturn. The emphasis will be in three sectors, mainly offshore support, bulk and tankers.

With the investment in hand, the company now aims to acquire two Anchor Handling Tugs and Supply (AHTS) vessels every year and an Accommodation Barge this year for its offshore marine support services division.

Under the Energy Logistics Services division, Scomi Marine will also grow its number of tugs and barges for the coal (bulk) logistics business to service the Dzung Quat refinery slated to be fully operational by the second half of 2009. Also in the pipeline are talks with a joint-venture partner in Vietnam to add three or four new tankers for this purpose as well.
Scomi Group Bhd tendered a proposal on 5 December 2008 for a rights issue of 500 million new shares at an issue price of RM0.30 per share. The move is expected to raise approximately RM120 million for the Group and will go towards funding expansion plans that include acquisitions and the building of a new facility.

The proposed issue is a reflection of the confidence of major shareholders and the market at large regarding the growth potential of Scomi.

Senior management of the Group are confident that with this move Scomi will be better able to weather economic uncertainties and capitalise on opportunities that present itself. As a Global Technology Enterprise, this move will also allow Scomi to continue investments in technology, people and the brand.

The deal, expected to be completed by the first half of 2009, is still subject to approval from the Securities Commission, the Mandatory Offer exemption, Bursa Malaysia, other shareholders of Scomi and any other relevant authorities.
Scomi Rail’s Engineering & Design team achieved their first milestone on the Mumbai Monorail project by submitting their Preliminary Design Documentation for the Rollingstock and Depot Equipment one week before the 10 January 2009 deadline.

This was not an easy achievement as the team was given an extremely tight deadline of only 50 days to submission. We wish them luck in achieving their next milestone of Definitive Design by March 2009.

We are confident the team will be on schedule in completing this first international monorail project. In conjunction with Formula 2011, their achievement was celebrated on 13 January at Wisma Chase Perdana, Malaysia.

**Contributed by:** Johnny Boulianne - Scomi Rail, Malaysia
A Time For Friends & Festivities

It was a time to leave behind the woes of 2008 and usher in the jubilance of 2009 as staff gathered for a roaring Year End party at Rick’s Café Casablanca in One Bangsar on 11 December 2008.

In the spirit of staff welfare, our senior management team also got caught-up in the excitement and was sporting enough to be ‘auctioned off’ to the highest ‘bidder’. Some of the enticing winning bids from the staff included a holiday package with our Group CEO, home-cooked fine dining, diving trips, holidays and a host of others!

The highest bidders were even given special ‘certificates of ownership’ for the services and senior bosses, you have till the end of the first quarter of 2009 to fulfill all the bids!

Besides the good food and great entertainment, the Buka Puasa dinner proved a wonderful opportunity for everyone to leave their work worries behind and just let their hair down. Judging from the laughter and smiles on everyone’s faces, the dinner was a resounding success.

BUKA PUASA GATHERING
Staff of Scomi showed up in festive splendour when they attended a special Buka Puasa (Breaking Fast) dinner, held in their honour at the Sime Darby Convention Centre on 15 October 2008.

The event was made all the more memorable as Scomi’s very own braved the crowds (and stage fright!) to provide the entertainment for the evening. Well done everyone!

Besides a tantalising buffet spread and the Bid-on-a-Boss Auction, there were games, lucky draws and the debut of The Audacious, Scomi’s very own four piece band. Clearly the Year End party was an audacious event.

YEAR END GATHERING
It was a time to leave behind the woes of 2008 and usher in the jubilance of 2009 as staff gathered for a roaring Year End party at Rick’s Café Casablanca in One Bangsar on 11 December 2008.

In the spirit of staff welfare, our senior management team also got caught-up in the excitement and was sporting enough
Syrian PM Impressed With SUTRA

The SUTRA caused quite a sensation at the CIDB (Construction Industry Development Board) Exhibition on 8 January 2009, catching the attention of visiting Syrian Prime Minister, H.E. Muhammad Naji Al-Otri.

On hand was Group CEO, Mr. Shah Hakim Zain who took the liberty to explain the merits of the SUTRA to the Prime Minister. Scomi’s Board of Directors as well as its senior managers were also present.

Scomi Engineering participated in the exhibition to showcase its expertise in monorail systems.

After the exhibition H.E Muhammad Naji Al-Otri and his delegation took their maiden ride onboard the KL Monorail to experience for themselves Scomi’s technology in action while taking in the sights of the city.

While in Malaysia, the Syrian Prime Minister held talks with representatives of Scomi Engineering on the monorail project. He and his delegation were also involved in discussions with other parties regarding a car park project, the Damascus Ring Highway, water and wastewater treatment plants and housing apartment units among a host of others. The Syrian Prime Minister also attended an official dinner held in his honour. Also present were Scomi’s senior management.

The CIDB Exhibition was held as part of the board’s mission to develop and enhance the competitiveness of the Malaysian construction industry. In pursuing this mission, CIDB strives to enhance the quality and productivity of the industry through placing greater emphasis on professionalism, innovation and knowledge.
Indian Delegates Visit Home Of SUTRA

Group CEO, Mr. Shah Hakim and Senior Vice-President of Scomi Rail, Mike Dickinson played host to the Urban Development Principal Secretary of the Government of Maharashtra, Mr. Thomas C. Benjamin when he and other senior delegates visited Scomi’s new North KL facility in Kuala Lumpur recently.

The main aim of the visit was to tour the facility, view the site of the new plant and take a test ride on the SUTRA.

Commenting on what he had seen, Mr. Ratnakar Gaikwad, a Mumbai Metropolitan Commissioner said he was impressed with Malaysia’s infrastructural development and was confident Scomi Engineering would fully meet his government’s expectations in regards to the monorail project in India.

While in Kuala Lumpur, the delegates also visited the Petronas Twin Towers besides touring Malaysia’s newest city, Putrajaya.
Leaving nothing to chance, a fire drill and demonstration on how to extinguish an oil-fire was conducted by staff of Scomi OMS Brunei on 23 October 2008 upon relocation to a bigger site.

The fire drill went without a hitch as all staff evacuated the building in an orderly manner to re-group at pre-determined assembly points.

As instructed, each department representative brought their attendance board with Soh Nyet Lan in charge of the mobile phone and Hla Thin Htet and Jacklyn Mak responsible for the fire extinguishers. Frankie John, Zhang Jun and Ramesh Balasubramaniam rushed out the first-aid kits while fire wardens Patchaiyappan Ganapathy and Moung Aung Thi Ha checked around the site for anyone left behind.

After a satisfactory headcount, Thi Ha conducted a demonstration on how to extinguish an oil-fire so everyone could get acquainted with the process. The demonstration included how to use the right fire extinguisher, read the pressure gauge and combat the oil-fire.

With this life-saving information in their hands, the safety of the staff is now better assured.

Contributed by: Francis Chan - Scomi OMS, Brunei.
PT Scomi OMS Oilfield Services joined the Tangguh project in 2006 after winning a two-year contract for the supply of shore based services to BP that includes inspection and machine shop services for two drilling rigs there.

Taking its name from the Indonesian word for ‘resilient and strong’, Tangguh is centered on the Bintuni Bay area of Papua, Indonesia.

This project involves the tapping of six fields to extract combined proven reserves of around 14.4 trillion cubic feet of clean gas. Two normally unmanned offshore production platforms located in Bintuni Bay collect gas from the reservoir and send it through subsea pipelines to an LNG (Liquefied Natural Gas) processing facility on the south shore.

From here, LNG is transported to energy markets using LNG tankers. The LNG processing plant will initially consist of two ‘trains’ (the units that purify and liquefy gas), producing at least 7.6 million metric tons of LNG a year.

Other site facilities include storage tanks, an LNG tanker loading terminal, as well as maintenance facilities, offices and a personnel accommodation complex. The Tangguh LNG plant has already secured long-term LNG sales to four customers. It will deliver LNG to the Fujian LNG project in China, K-Power Co. Ltd, in Korea, POSCO in Korea and Sempra Energy LNG Marketing Corp. in Mexico.

SET-UP BEGINS...
We started purchasing and mobilising after approval from Kuala Lumpur on 27 October 2006, with help from Scomi OMS, Singapore and the KL office.

Next we hired and trained all 14 nationals and 14 locals within BP’s deadline of 30 May 2007. Our employees work 28 days on-site from 0600 to 1800 hours daily and have 28 days off.

Despite the challenges, we have made significant achievements. Among these are getting licensed by Grant Prideco for the HT connection, receiving qualification from Baker Hughes Inteq to cut and inspect T2 and T2-S connections, plus commissioning...
an Ultra High Pressure water-blasting machine for the cleaning of drill pipes, casings and tubing prior to inspection.

BP have had two ENSCO rigs working the E108 & the E104 which will complete their drilling programmes shortly. We’ve been on the project for 18 months although it feels like we just got started. We are sad the first phase will come to an end in March 2009 but are looking forward to the second phase starting-up in two years’ time.

I would like to leave you with this thought - when you are stuck in rush-hour traffic, just think of us in Tangguh.

**AN OBSTACLE COURSE...**
The journey to Tangguh starts in Jakarta with a Garuda flight at 2150 hours to Biak - this is not a direct flight, as after 2-1/2 hours you stop in Makassar for 40 minutes then resume for another 2-1/2 hours to Biak.

The next flight is on a BP-chartered beach craft (16-seat twin prop). This is a shuttle service starting at 0730 hours and runs four times a day to transfer all passengers to a small, historical village called Babo (some Zeros from the Japanese occupation are still laying around the runway).

After this, you take a 10-minute bus ride to the Babo jetty, then a one-hour ferry ride to combo dock in Tangguh. From here a bus rushes you to the Shore Base by 1230 hours.

Total travelling time is around 16 hours on a good day just to get to work. Kudos to our workers who are up to the challenges this assignment brings.

“WELL DONE GUYS AND GIRLS”

*Contributed by: Herawati Suhendro - Scomi OMS, Balikpapan*
Scomi Engineering capitalised on the opportunity to showcase its value-added products and services to the Indian market when it participated in the International Exhibition cum Conference on Urban Transport Innovative Technology–Products–Systems–Services, held in Pragati Maidan, New Delhi, India from 3-5 December 2008.

Part of its involvement included a presentation on Scomi and its monorail capabilities to conference delegates by Kanesan Velupillai, Senior Vice-President of Special Projects. Assisting him in India was his Malaysian team comprising James Selvaraja, Atina Awang, Ng Jung Heong and Mahathir Allaudin. While in India, the team conducted crucial information-gathering regarding the bus system there. Among the reports gathered were India’s Standardised Urban Bus Specification Report as well as the Bus Rapid Transit Development report. The information in the reports will go a long way towards planning the best approach for Scomi to take in regards to market penetration of the bus system in India.

Besides the presentation, an interview followed by a Q&A session was held between Scomi and the media, made up of Bernama and several of India’s news stations.

Attending the rail exhibition was a host of visitors comprising engineers, contractors, government delegates, vendors, planners and professors.

Organisers of the event at our booth

Minister of Transport of India at the exhibition.

Local media interviewing James Selvaraja of Special Projects
Scomi Oiltools (Cayman) Ltd made quite a show at the ADIPEC 2008 (Abu Dhabi International Petroleum Exhibition & Conference), the biggest event ever with 1,500 exhibitors and 40,000 visitors attending.

Stationed at Hall No. 12, Booth No. 14, Scomi Oiltools had a medium-sized but impressive booth. All our Dubai Management staff took turns to man the booth together with the Drilling Waste Management and Oilfield Distribution sales team. Also present at the booth was Derrick Global Sales Manager, Alan Bishop and Scomi Group CEO, Mr. Shah Hakim Zain, who was in Dubai at the time and visited the booth on the opening day.

The major attraction was undoubtedly the Derrick DP 626 Shale Shaker, that incorporates numerous patent pending technological advancements designed to meet and exceed the evolving needs of the drilling industry.

We received many enquiries about the Derrick DP 626 from numerous existing and potential customers regarding the unit’s technical capabilities. A few customers even offered to buy a unit or two if there was stock. We have since sold two units of the Derrick DP 626 to the Saudi Arabia market and are optimistic of seeing increased sales in the days ahead. Having the Scomi Oiltools booth and the Derrick DP 626 on show highlighted to our customers our commitment to the theme - “PARTNERED FOR PERFORMANCE”.

Overall, our participation at ADIPEC 2008 was a great success and will definitely enhance our company’s profile in the region.

The ADIPEC 2008 which ran from 3-6 November was officially declared open by His Highness Lieutenant General Sheikh Mohammed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the Armed Forces, President of the Executive Council.

Contributed by: Abang Abdul Aziz - SVP, MENAT

As part of its networking activities at the ADIPEC 2008 Exhibition and Conference, Scomi Oiltools entered the golf tournament organised at the Abu Dhabi Golf Club.

With only two team members available minutes before tee off, things did not look good, but a couple of late arrivals from the Dutch company CONPIPE filled the final places. The net score taking in the 10% handicap allowance was 54.8 after scoring an 8 under par round including 2 eagles. Good teamwork! We certainly enjoyed ourselves.

The ADIPEC is one of the largest petroleum shows in the world and the event last year took place at the brand new Abu Dhabi National Exhibition Centre from 3-6 November 2008.

Contributed by: Micheal Bartsch - DF Business Development Manager, MENAT
Adieu To Dubai

It was a sad day indeed at the Scomi Oiltools Dubai office when news broke that Abang Abdul Aziz, Senior Vice-President for the MENAT region, was to be transferred back to Kuala Lumpur.

Sad as we were for having to part ways, the Dubai gang gave Abang a hearty send-off at Asha’s Restaurant. We wish Abang all the best for the future and good luck in his new position as Chief Support Officer for the Global Oilfield Services business.

Contributed by: Brian Bischoff – Scomi Oiltools, Dubai

Dubai Achieves Safety Milestone For Four Years Running

18 December 2008 will always be a day of great significance to the QHSE team in Scomi Oiltools Dubai, UAE because it marks the fourth year running that they have achieved ZERO LTI (Loss Time Incident).

This achievement was made possible by a total commitment to QHSE (Quality, Health, Safety & Environmental) practices and procedures, as well as its strict implementation by all employees.

In recognition of this outstanding achievement, Abang Abdul Aziz, Senior Vice-President & Head – MENAT (currently Chief Support Officer in Kuala Lumpur) presented Brian Bischoff, Country Manager – Gulf, with a trophy and certificate. A party was also organised for all staff to commemorate this milestone.

Contributed by: Arlene D. Espinoza - Scomi Oiltools, Dubai
An exciting yet challenging four-week SAP End-User Training session was held in Dubai and Cairo as a follow-up to Project BEST. The session was held from 5 October to 2 November 2008 and involved 25 End-Users from Turkmenistan and the GCC area in Dubai, 15 from Cairo and a few from Algeria.

The trainers were MENAT’s very own Super Users who attended a three-week Train-The-Trainer session in Kuala Lumpur in September last year. They were supported by a select group of Support Trainers from Wave 1.

The Team was led by Hanif Hamid, Project BEST’s Wave 2 Project Director (Europe and MENAT), who was supported by Abang Abdul Aziz, Senior Vice-President & Head of MENAT. Together they created a productive environment for learning that generated much enthusiasm among the participants.

Special thanks to Muhammad Farook (Head of ICT - MENAT) and Biju Navadeep (IT Administrator – MENAT) who did a great job in offering continuous technical support when necessary. In Dubai, the group split in two with one group at the Grand West Hotel and the other at the Dubai Office. In Cairo, sessions were held in our office in Kattamia under Medhat Gindie (Area Manager – Egypt & Syria).

The training session wasn’t all work as there were many opportunities for coming together as family where having a laugh or just relaxing was the order of the day.

The training was a resounding success and Team Scomi is confident of beating the odds regardless of the worldwide financial crisis. As a team, everyone pledged their commitment to work together, reach their potential and think like champions.

Contributed by: Haslinda Hashim - Scomi Group, K.L

Playing golf with the barons in the Oil Baron’s Golf Tournament on 16 October 2008 was the Scomi Oiltools Dubai team comprising Brian Bischoff, Country Manager – Gulf, along with team players from Weatherford Drilling.

The players competed with some of the best golfers in the Middle East’s energy sector, playing on both of the prestigious courses at the Emirates Golf Club in Dubai.

Team Scomi took home the grand prize for finishing in first place overall. Needless to say, we all had a fun day.

Contributed by: Brian Bischoff - Scomi Oiltools, Dubai

Oil Baron’s tee off

Reflex Publishing hosted, for the sixth year, the unforgettable Oil Baron’s Golf Tournament where 88 teams put their skills to the test.
Scomi Oiltools made quite an impression with visitors when it participated for the first time ever in the OGS 2008 (Oil and Gas Show) held in Ashgabat, Turkmenistan at the City’s Exhibition Center from 19-21 November 2008.

Apart from showcasing its capabilities in oilfield services, the exhibition was a perfect platform to create awareness about the company’s name change from ‘KMC Oiltools’ to ‘Scomi Oiltools’.

The Scomi booth was managed by staff from the Ashgabat office and Senior Vice-President of MENAT, Abang Abdul Aziz was present throughout as a show of support for the operations.

The exhibition was a success for Scomi as many major players in the industry showed genuine interest in the company. Among them were PETRONAS, Burren, Wintershall, Dragon Oil, Chalik Energy, Turkmengologeology, Turkmeneft and Turkmengaz.

The OGS 2008 was officiated by the Vice-President of Turkmenistan together with the Prime Minister of Malaysia in the presence of numerous high-ranking Turkmenistan Ministers. Other visitors included the President and Vice-President of PETRONAS. The event attracted 92 exhibitors and approximately 10,000 visitors.

Contribution by: Rozali Sidek - Scomi Oiltools, Turkmenistan
Scomi Group took the first step to secure the Lagos monorail project when it submitted its preliminary design report and cost estimates for the approximately 17km system in Nigeria.

Information-gathering was conducted from September to December last year by the Special Projects team. Representatives from PJSI, Scomi's Civil & Structure consultants were also part of the delegation.

While in Nigeria, the Malaysian delegation met with ARM Investment Executive Director, Deji Ali, Managing Director, Sadiq Mohammed, Project Manager, Emeka Emenike and Project Assistant, Abisola Kamson. The delegation also had an official meeting with the Governor of Lagos.

The awarding of the contract is now pending approval from the state of Lagos as officials there work to source funding for the project.

Scomi was approached by ARM Investment, a local investment company in regards to the Lagos monorail project.
Scomi Oiltools Europe held a Christmas event on 6 December at the Northern Hotel in Aberdeen. The night started with a bang, as the raffle tickets were hidden inside inflated balloons. There were some wonderful prizes to be won such as food hampers, a weekend hire of a BMW 3 series and vouchers of every kind.

The night gave a wonderful opportunity to everyone to get dressed up and to let their hair down after the recent SAP struggles and stresses. The Christmas event was a great success, enjoyed by all who attended.

Contributed by: Karen Penny – Scomi Oiltools, Aberdeen

After a challenging exercise to integrate new SAP processes with existing procedures while continuing to meet the needs of customers and suppliers, Scomi Oiltools UK finally completed its implementation of SAP in full.

Today, we are confident users of SAP despite having to tackle new issues each day. Continually responding to these challenges and seeing progress have been testing yet rewarding and could not be done without the commitment of everyone involved.

Changes in personnel and internal re-organisation have resulted in people having to learn different tasks as well as their new SAP roles, and credit must be given to those who assisted in the implementation of SAP to date. This includes those with little SAP involvement, but who have had to carry additional workloads to allow their colleagues to focus their attention on SAP.

This willingness to work as a team has allowed the UK to make excellent progress, and teamwork will prove to be the key as we continue to see progress in our SAP journey.

Contributed by: Karen Penny – Scomi Oiltools, Aberdeen
Members of Scomi Oiltools Europe and key customers attended a ‘Burns Supper’ on 16 January 2009 at the Marcliffe Hotel in Aberdeen in celebration of the life and death of Scotland’s greatest poet, Robert Burns.

The celebrations opened with a short welcome speech after which dinner began with the ‘Selkirk Grace’. Guests were then requested to stand to receive the haggis, a traditional Scottish dish.

A piper led the chef, who carried the haggis to the main table as the chairman recited Burns’ famous poem "To a Haggis", with great emotion. When he reached the line “an cut you up wi’ ready slight”, the chef cut open the haggis with a sharp knife. As is the custom, the guests applauded the speaker, then stood up to toast the haggis with a glass of whisky.

The night ended with a superb Ceilidh band that had everyone up on the floor with many trying to master traditional Scottish dances such as the Gay Gordon’s, ‘Dashing White Sergeant’ and the ‘Boston Two Step’.

In November this year Scotland will host a homecoming that will celebrate this tradition, a distinct part of Scottish Culture for 250 years.

Contributed by: Karen Penny – Scomi Oiltools, Aberdeen

It was a crisp and sunny morning as players of Scomi Oiltools’ Inchmarlo Golf Outing for clients took to the fairways on 2 October 2008.

The morning round took the format of a Texas Scramble consisting of 6 teams of 3. The team captains were Grant Kinghorn, Andy Thomson, Ken Carlsson, Norman Barclay, Gordon Duncan and Dave McGinigal.

After breakfast, everyone tee’d off. The course was in remarkable condition after the previous day’s rain, and without a cloud in the sky, it was an enjoyable 9 holes. There was only one near miss as Grant’s tickly cough caused an unassuming player to hit his tee shot off a stone wall, rebounding towards the offending noise and nearly hitting him on the “derriere”!

The Scramble was won by Team 4 consisting of Norman Barclay, Mike Blue and Mark Stephen. Soup and sandwiches got everyone re-fuelled, ready to jump on the buggies and head off for the next round – the Stableford.

The afternoon rain did not dampen the spirits of the players but a new sport of “throw your teammates clubs in the woods” – I wonder who thought this up – cough cough – was introduced! In another group, a club was borrowed by someone in his own team who then proceeded to whack the head off his favourite 3-wood!

After the 19th hole, everyone sat down to a hearty dinner. Next was prize giving with Gordon Duncan presenting a prize to Norman for the Texas Scramble with Mike and Mark each receiving a Taylor-Made golf bag. The driver for the “Longest Drive” on the 5th went to Grant Kinghorn who narrowly escaped being pipped at the post by his 7-month pregnant Account Manager who was short of her drive by about 15ft! The putter for the “Nearest to the Pin” on the 11th went to Richard Male from Diamond Drilling.

The Team Stableford was a close run affair with only a point separating the winners and runners-up. With a score of 87 these were Mike Blue, Mark Stephen, Norman Barclay and Grant Kinghorn and with a winning score of 88 were Gordon Duncan, Mick Fielding, Stuart Nicoll and Nicola Hook.

The Individual Stableford was also a close run event – 3rd was Grant Kinghorn with 39 points, 2nd was Billy Thomson also with 39 but with a better back 9 and 1st was the prize-giver himself, Gordon Duncan with 40 points.

A big thanks to Inchmarlo for a super day out and to everyone attending especially those who brought prizes along with them.

Contributed by: Nicola Hook – Scomi Oiltools, Aberdeen
Scomi Oiltools Wows The Crowd At ONS 2008

Scomi Oiltools attracted lots of attention when it put its Derrick Shaker and Cuttings Blowing Pump (CBP 800) on display at the ONS (Offshore Northern Seas) 2008.

To help promote the units, videos showing the shaker in action were shown on flat screens at the stand.

The Scomi Oiltools senior management team, including regional operations and product team representatives were there in full force to show our commitment to the European business.

Representatives manning the stand were kept busy explaining the unique selling propositions of the units on display to customers such as StatoilHydro, Talisman, Saipem, Aker Solutions, AGR Drilling, Oddfell, Step Offshore, TTS, Senergy, Awilco Offshore and MB Petroleum who expressed genuine interest in the units.

Besides our booth, we also hosted a client-networking dinner by the harbour.

To mark the close of the ONS 2008, a concert was held at Stavanger’s central marketplace, featuring the Norwegian rock group, The September. The event’s finale was a spectacular fireworks display that truly awed the crowd.

The ONS is an integrated exhibition, conference and festival event that serves as an international forum for communicating information on the petroleum industry. It is also the leading meeting place for oil and gas industry representatives.

The ONS Foundation that runs the entire event, is owned by the City of Stavanger, StatoilHydro, Stavanger Forum and the Norwegian Petroleum Society.

Contributed by: Meena Kanthaswamy - Scomi Oiltools, K.L

Scomi Norway Picks Its Little Ambassadors

Scomi Oiltools Norway has picked a group of aspiring nine-year old footballers from the Havdur Club in Tananger to be Scomi Ambassadors. As a gesture of goodwill, the little footballers received jerseys from the company.

Havdur Club is a reputable sports club in Norway that promotes handball, cycling, swimming and diving activities besides football. Three of its divers are being supported by the Norway national team and are in training for the 2012 Olympics.

Tananger is the largest offshore base in Norway and all major oil companies have offices there. Scomi Oiltools is happy to do its bit for the development of the community there.

Contributed by: Erik Broadhurst - Scomi Oiltools, Norway
“We Don’t Like Ike...”

Hurricane Ike gathered strength as it churned through the Gulf of Mexico’s warm waters early September, 2008. Ike skirted the heart of the United State’s offshore oil patch before slamming into the Texas coast on Saturday, 13 September 2008 at 2:10 a.m.. Little did we realise the devastation this third most destructive hurricane to ever make landfall in the US would bring.

Ike was our ninth named storm and 5th hurricane of the 2008 season and when a storm is named it means no “crying wolf”, there is only preparation, packing, and/or evacuation. On 5 September, Ike was named a Category 4 hurricane, with maximum sustained winds of 145 mph and a pressure of 935 mbar. Ike also had the highest Integrated Kinetic Energy of any Atlantic storm in history, with a destructive potential rating of 5.6 on a scale of 1 to 6. To compare, hurricane Katrina was rated a 5.1 at its peak. Ike has been blamed for 167 deaths, with 202 still missing. Damages in the US alone are estimated at $22.41 billion, making it the 4th costliest US hurricane of all time.

Texas was forced to close many of its oil refineries causing a temporary increase in the price of gasoline and natural gas. Ike’s winds and giant waves destroyed oil platforms, tossed storage tanks and punctured pipelines. It made landfall in the US at Galveston, Texas, on 13 September as a Category 2 hurricane and was more than the Island could withstand. Unfortunately, many ignored the “certain death” evacuation order and are still unaccounted for. Many buildings were damaged beyond repair, including the Galveston County Courthouse, University of Texas Medical Branch, Lone Star Flight Museum, and the Shriner’s Burn Hospital, which just announced it will be closing for good, as it cannot recover from the loss. It is estimated that 95% of the homes and businesses were completely destroyed.

In regional Texas towns, the high winds blew out windows or buildings and caused electrical power failure. Although thousands of crews from all over the US came to the aid of local electric companies, power was slow to be restored due to the catastrophic damage in many areas. Many of our employees were without power for up to two weeks and in some areas up to 21 days. Electricity was repaired in “grids”, by zip codes and our Houston office only got power after 12 days. We had to use generators and fans to operate the main server, so that other offices in the US could go on working. Although some tried to come in to work, building safety restrictions and the sweltering heat turned them back.

On a personal level, the experience will not be forgotten for a long time, if ever. Gasoline was hard to come by as the demand increased for those who were forced to leave their homes and cities to evacuate in safety. Food, water and ice were not easily found in certain areas of Texas hit hardest by the storm. Word kept coming as to the devastation in Galveston, our neighbour. Each day of clean up saw more bodies recovered. Even months later, more bodies were still being found. The effects were devastating not only physically, but also mentally. Galveston is working toward recovering and hoping that the tourism that supports their economic growth will continue to pick up.

As for Scomi Houston, we are back on track and have a new appreciation for the luxuries we sometimes take for granted. Thanks to all for your patience and consideration during this most difficult time.

Contributed by: Amber Naumann and Laura Dressen – Scomi Oiltools, Houston
Scomi Oiltools US Cooks-Up A Storm

Staff of Scomi Oiltools in Broussard, US helped raise money besides garnering a fair share of compliments for their no-bean, beef sirloin chili at the annual Halliburton Chili Cook-Off on 14 November last year.

Although they didn't quite make the top three spots of the event, they have nevertheless vowed to return this year and wow the judges with their chili.

The Cook-Off scheduled each year in November, consists of two chili categories - Traditional (beef and pork) and Exotic (everything else). Seventy five teams registered for the cook-off and Halliburton raised approximately USD32,000 for United Way of Acadiana.

Contributed by: Jonathan Lopez - Scomi Oiltools, US

New Leader in US…

The US of A got a new leader and so too did Scomi Oiltools US operations. Mike Fox took on the role of Country Manager in January 2009. He brings to the management table a blend of strong leadership, a pragmatic approach to managing issues as well as clarity in decisions.

Born and raised in Oklahoma and surrounding states, he knows the people and the business ground-up. This gives him the ability to read business situations well.

He remarked recently, “the position is not easy. The business is not easy. We need to be tough but courteous….. We acknowledge and will always be grateful for Tommy’s past and continuing help. A large part of how the US company grew was due to his contributions and Scomi’s support. But the company now faces new challenges, and he has been called away to deal with a bigger assignment (Tommy Mitchell, previously the Regional Manager for Americas moves on to manage the challenging Latin American operations of Scomi Oiltools). I am now more than ready for this new role”.

Added to the mix is also a large measure of Texan charm. In his personal time, he enjoys fishing and boating. Invariably this time he would also be in the company of customers on a friendly basis. “I enjoy visiting with customers. Developing and maintaining relationships are critical in what we do”.

Mike Fox has been with the company for 6 years with responsibility for sales/business development and as Manager for Western US and Canada.

Contributed by: Jonathan Lopez - Scomi Oiltools, US
A Night To Remember At
Scomi Oiltools Mexico’s Posada

Staff of Scomi Oiltools Mexico dressed in their Christmas best when they attended their posada or Christmas Party on 15 December 2008 at the Crowne Plaza Hotel. It was truly a night to remember as everyone stayed till 2 a.m. dancing the night away.

Dinner was a mouth-watering affair as the hotel is renowned for its exquisite cuisine.

Country Manager, Cisco Gutierrez made a toast at the start of dinner, thanking everyone for the excellent year they had in 2008. He also spoke words of encouragement, saying that with dedication, hard work and great teamwork, Scomi Oiltools Mexico would enjoy even better growth in 2009.

The posada was made more enjoyable with a raffle that saw everyone leaving with some gift or other – whether it was an iron, blender, coffee maker, oven, DVD player, television set or refrigerator. No one left empty-handed.

Later in the evening, Cisco Gutierrez and his wife Martha Vega stepped onto the dance floor for the first dance of the night. They were soon joined by other couples.

The live band for the posada was incredible and everyone danced the night away, forgetting their worries and just surrendering to the magic of the Christmas season.

Prevention Is Better Than Cure

Scomi Oiltools Mexico’s commitment to safety ensures they regularly conduct training on various aspects of HSE.

The latest was a workshop on ‘Prevention of Risks at Work’. Conducted in October for all staff at our Poza Rica location, engineer Isabel Gomez made sure that everyone understood the risks that you could regularly face at work and what preventive measures could be taken for a risk-free environment.

Contributed by: Erika Leon - Scomi Oiltools, Mexico

Participants learnt a lot as the training was detailed and informative.
Celebrating Christmas... Venezuelan Style

Employees of the South District of Scomi Oiltools Venezuela were abuzz with the excitement of Christmas and to mark the occasion, erected a beautiful Christmas tree at their office, complete with festive lights and decorations.

Then on 23 December 2008, everyone was treated to a sumptuous breakfast of ham bread, salad and traditional Venezuelan Hallaca.

Now that's the way to celebrate Christmas with colleagues.

Getting Audited

The South District of Scomi Oiltools Venezuela conducted an audit of its Internal Quality Management System on 11 November 2008 to review processes and correct existing deviations.

This is a mandatory exercise in anticipation of the February 2009 audit to be conducted by FONDONORMA.

The audits were held in Apure, Anaco and Ciudad Ojeda in November and December under the supervision of Jeanette Gonzalez, QHSE Manager and Nordy Fuentes, the Auditor.

Staff in Venezuela Bid Adios...

Staff of the South District of Scomi Oiltools Venezuela bid a fond adios to fellow colleague Giuseppi Sinnato, Southern District Manager on 1 December 2008.

A small gathering was held at the office and everyone wished Giuseppi all the best in his new job. Present to see him off on his last day was Human Resource Manager, Julio Gimenez and Country Manager, Raul Bozzi who said how much they appreciated his contributions to Scomi.
Building a caring society together

Through its many corporate social responsibility programmes, Scomi has touched the lives of thousands of people every day in the community. Below is a pictorial rendition of our ‘community engagement’ activities in late 2008.

To everyone who helped in one way or another, thank you very much for working with us to help build a better world.

SPONSORING PROGRAMME
Yayasan Scomi and Universiti Teknologi Petronas (UTP) students organised an hour-long talk about the oil and gas industry for 250 secondary school students in Sitiawan, Perak on 1 November.

OUTREACH TRIP
A trip was made to Baling, Kota Bahru and Setiu from 24-27 October to visit the less fortunate in these remote areas. While there, we delivered groceries to the villagers, visited the sick and talked to the elderly.

VISIT TO MUHAMAD FUAD
We paid a visit to 14 year-old Muhamad who takes care of his six siblings. They were sent for a medical check-up at a government clinic in Klang in December.

RAYA SHOPPING SPREE
Scomi Marine staff were happy to take a group of orphans on a shopping spree in preparation for the Hari Raya festivities. The kids had a wonderful time out not only shopping but spending precious time with those who cared for them.

Contributed by: Yayasan Scomi, K.L
Hatches & Matches

3. Faris Irsyad - 21st Nov 2008
   Son of Faizal Hamzam (Scomi Oiltools, Terengganu)

4. Sara Layne - 3rd Sept 2008
   Daughter of Stacy Spoerie (Scomi Oiltools, US)

5. Muhamad Annasae bin Mohamad Ansori
   - 21st Nov 2008
   Son of Rosliza Binti None (Scomi Marine, K.L)

   Son of Nicola Hook (Scomi Oiltools, Aberdeen)

   Daughter of Jerson Saguin (Scomi Oiltools, Dubai)

8. Alden Ashwin - 12th July 2008
   Son of Sathan Panandoss Ahlpphones (Scomi Oiltools, K.L)

9. Hadi Qadir Jailani Bin Redzuan - 7th July 2008
   Son of Che Engku Shalina (Scomi Oiltools, Terengganu)

10. Kaelyn Lena King - 1st June 2008
    Granddaughter of Bill King (Scomi Oiltools, US)

11. Nicole Elizabeth - 12th Jan 2009
    Daughter of Jeanette Gonzalez (Scomi Oiltools, Venezuela)

    Daughter of Mohd. Fairuz Bin Ahmad
    (Scomi Oiltools, Turkmenistan)

    Son of Jose Daniel Gomez (Scomi Oiltools, Mexico)

Matches

1. Alex Adiel Perera Hernandez - 14th Oct 2008
   Son of Araceli Hernandez (Scomi Oiltools, Mexico)

2. Leyli Allmuradovna Yolliyeva - 3rd Oct 2008
   Daughter of Allamurad Yolliyev
   (Scomi Oiltools, Turkmenistan)

Madeline Ho (Scomi Marine, K.L) &
Mazniaida Amir,
7th December 2008