

**General Announcement**

Form Version 7 (Enhanced)

**Submitted**Initiated by **MECHMAR CORPORATION** on 12/05/2010 04:37:34 PMSubmitted by **MECHMAR CORPORATION** on 12/05/2010 04:46:12**PM**Reference No **MC-100512-F629E****Company Information****Main Market Company****New Announcement****Submitting Investment Bank/Advisor (if applicable)****Submitting Secretarial Firm (if applicable)**

|                  |                                       |
|------------------|---------------------------------------|
| * Company name   | MECHMAR CORPORATION (MALAYSIA) BERHAD |
| * Stock name     | MECHMAR                               |
| * Stock code     | 3808                                  |
| * Contact person | Julia Leong                           |
| * Designation    | Group Company Secretary               |
| * Contact number | 03-55692828                           |
| E-mail address   | julia@mechmar.com.my                  |

**Type \***

Announcement

**Subject \*:**

MECHMAR CORPORATION (MALAYSIA) BERHAD (13390-M) ("Mechmar")

Analysis of Variance between Unaudited Results and Audited Results announced for financial year ended 31 December 2009

**Note: If the announcement is a long announcement, please summarize the announcement in the contents and enter the details of the announcement in the Announcement Details or attached the full details of the announcement as attachment.**

**Contents \*:-***(This field is to be used for the summary of the announcement)*

We attached the analysis of variance between the Company's unaudited results announced on 25 february 2010 and the audited results announced on 30 april 2010 for financial year ended 31 December 2009 for your reference.

**Announcement Details \*:-***(This field is for the details of the announcement, if applicable)***Attachment(s):-** (please attach the attachments here)

Copy of MCMB\_Variance Analysis.xlsptmisrilanka.xlsbursa.xls

**Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:**

**Mechmar Corporation (Malaysia) Bhd**  
**Financial Year Ended 31.12.2009**

**Analysis of Variance between Unaudited Results & Audited Results**

|  | <b>RM' mil</b>                                      |         |
|--|---|---------|
| Net loss for the year  |   |         |
| Per unaudited results announced to Bursa   | (7.2)   |         |
| Per audited financial statements   | <u>(11.9)</u>                                       |         |
| <br>Variance   | <br><u>(4.7)</u>                                    | <br>39% |
| <br>Attributable to:   | <br><b>RM' mil</b>                                  |         |
| Audit consolidation adjustments<br>attributable to disposals of overseas subsidiaries                                  | <br>(1.8)   |         |
| <br>Audit adjustment on additional<br>provision for corporate guarantee<br>(due to delay in receipt of bank statement) | <br>(1.6)   |         |
| <br>Resource Premium Sdn Bhd- audit adjustment on<br>impairment loss of development<br>property                        | <br>(0.5)   |         |
| <br>Additional expenses recognised in the book of:   |   |         |
| Mechmar Cochran Boilers (M) Sdn Bhd  | <span style="border: 1px solid black;">(0.2)</span> |         |
| Solarmate Sdn Bhd  | <span style="border: 1px solid black;">(0.2)</span> |         |
| Mechmar Capital Sdn Bhd  | <span style="border: 1px solid black;">(0.1)</span> |         |
| Cochran Combustion Technology Sdn Bhd  | <span style="border: 1px solid black;">(0.1)</span> |         |
| Others   | <span style="border: 1px solid black;">(0.2)</span> |         |
|  | <u>(0.8)</u>  |         |
|  | <br><u>(4.7)</u>                                    |         |