

**List of Entities on Rating Watch for 1<sup>st</sup> Quarter 2013 ( period covering 01.1.2013- 31.3.2013)**

No	Issuer/Entity	Issue size & Instrument	Last Rating action	MARCWatch	Subsequent Rating Action	Chronology of MARCWatch
1.	KMCOB Capital Berhad	RM343.1 million Sukuk Murabahah Medium Term Notes Programme	A+IS	NEG	The MARCWatch Negative reflects delay in Scomi Oilfield Limited (SOL) disposal of its West African assets and its slower-than-expected pace of deleveraging (KMCOB is the funding vehicle of SOL, where MARC rates the notes based on the corporate guarantees from Scomi Oiltools Bermuda Limited and SOL). The rating action is driven by SOL's weak consolidated liquidity due to outflows from debt service at the issuer and SOL Group, capital spending, additional requirements in working capital for SOL Group's new projects and delay to obtain additional financing for its new projects. The MARCWatch Negative also reflects uncertainties tied to the timing of the completion timing of SOL's internal reorganization and the reverse takeover of the New SOL Group by Scomi Marine Berhad. MARC is also concerned about the group's tight liquidity and the delay in obtaining additional financing. MARC will continue to monitor developments. Should the delays continue beyond the first quarter of 2013, a downgrade of KMCOB's rating will be likely.	16.01.2013 - placed on MARCWatch