

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): July 11, 2019 (July 10, 2019)

**MURPHY OIL CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-8590

(Commission File Number)

71-0361522

(I.R.S. Employer Identification No.)

300 Peach Street

P.O. Box 7000, El Dorado AR

(Address of principal executive offices)

71730-7000

(Zip Code)

(870) 862-6411

Registrant's telephone number, including area code

Not applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$1.00 Par Value	MUR	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Item 2.01. Completion of Acquisition or Disposition of Assets**

On July 10, 2019, Murphy Oil Corporation (“Murphy Oil”) announced its subsidiary closed the sale to divest the fully issued share capital of the entities primarily conducting Murphy’s operations in Malaysia to a subsidiary of PTT Exploration and Production Public Company Limited (“PTTEP”). The transaction was previously announced on March 21, 2019, with an effective economic valuation date of January 1, 2019. After closing adjustments, Murphy received proceeds of approximately US\$2.035 billion, and expects to report a gain on the sale of approximately \$1.0 billion. Murphy does not anticipate tax liabilities related to the transaction.

## **Item 8.01. Other Events**

On July 10, 2019, Murphy Oil issued a press release announcing the completion of the sale of its Malaysia assets. The full text of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 8.01.

## **Item 9.01. Financial Statements and Exhibits**

### (b) Pro Forma Financial Information

The unaudited pro forma condensed consolidated balance sheet of Murphy Oil dated as of March 31, 2019 and the unaudited pro forma condensed consolidated statements of operations of Murphy Oil for the three months ended March 31, 2019 and for the year ended December 31, 2018 are filed as Exhibit 99.2 to this Current Report on Form 8-K.

### (d) Exhibits

[99.1](#) [Press release issued by Murphy Oil Corporation, dated July 10, 2019, announcing the completion of the sale of the Company's assets in Malaysia to PTTEP.](#)

[99.2](#) [Unaudited pro forma condensed consolidated balance sheet of Murphy Oil dated as of March 31, 2019 and the unaudited pro forma condensed consolidated statements of operations of Murphy Oil for the three months ended March 31, 2019 and for the year ended December 31, 2018, 2017, and 2016.](#)

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 11, 2019

MURPHY OIL CORPORATION

By: /s/ Christopher D. Hulse

Christopher D. Hulse

Vice President and Controller

## Exhibit Index

- 99.1 [Press release issued by Murphy Oil Corporation, dated July 10, 2019, announcing the completion of the sale of the Company's assets in Malaysia to PTTEP.](#)
- 99.2 [Unaudited pro forma condensed consolidated balance sheet of Murphy Oil dated as of March 31, 2019 and the unaudited pro forma condensed consolidated statements of operations of Murphy Oil for the three months ended March 31, 2019 and for the years ended December 31, 2018, 2017, and 2016.](#)



## NEWS RELEASE

### **MURPHY OIL CORPORATION ANNOUNCES CLOSE OF MALAYSIA PORTFOLIO, EXECUTES \$300 MILLION SHARE REPURCHASE PROGRAM**

EL DORADO, Arkansas, July 10, 2019 – Murphy Oil Corporation (NYSE: MUR) (“Murphy”) announced its subsidiary closed the sale to divest the fully issued share capital of the entities primarily conducting Murphy’s operations in Malaysia to a subsidiary of PTT Exploration and Production Public Company Limited (“PTTEP”). The transaction was previously announced on March 21, 2019, with an effective economic valuation date of January 1, 2019. After closing adjustments, Murphy will receive proceeds of approximately US\$2.035 billion, and expects to report a gain on the sale of approximately \$1.0 billion. Murphy does not anticipate tax liabilities related to the transaction.

“We would like to congratulate PTTEP on the purchase of their new asset. As our talented and committed Malaysia team transitions to their new owner, I am confident they will diligently work to ensure continued success in the country. Also, I would like to thank our long-term partners PETRONAS, PETRONAS Carigali and Pertamina. They too have diligently worked to ensure our long-term success in the region,” stated Roger W. Jenkins, President and Chief Executive Officer.

#### **SHARE REPURCHASE PROGRAM UPDATE**

Murphy also announced today that it has completed \$300 million in share repurchases as of the end of the second quarter, which is part of a previously authorized and disclosed \$500 million program. Murphy purchased 11.4 million shares outstanding, a 6.6 percent reduction from 173.6 million shares outstanding as of April 30, 2019, at an average price of \$26.34 per share. The current share repurchase program expires year-end 2020.

“Murphy remains committed to spending within cash flow while investing in our new Gulf of Mexico assets. We continue to strongly support our shareholders with industry-leading dividend and share buybacks this year. Murphy’s recent transactions further align our high-margin and oil-

weighted production, with approximately 90 percent of oil volumes expected to receive premium realizations to WTI,” stated Jenkins. “We have repositioned our portfolio with multiple successful transactions while maintaining our strong balance sheet and liquidity position. Following our three major transactions over the last nine months, we are now set up for a transformed future with no revolver borrowings and liquidity of more than \$2.0 billion.”

**ABOUT MURPHY OIL CORPORATION**

Murphy Oil Corporation is a global independent oil and natural gas exploration and production company. The company’s diverse resource base includes production from North America onshore plays in the Eagle Ford Shale, Kaybob Duvernay, Tupper Montney and Placid Montney, as well as offshore Gulf of Mexico, Canada and Southeast Asia. Additional information is available on the company’s website [www.murphyoilcorp.com](http://www.murphyoilcorp.com).

**Investor Contacts:**

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**MURPHY OIL CORPORATION**  
**UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS**

On March 21, 2019, Murphy Oil Corporation announced that a subsidiary had signed a sale and purchase agreement to divest the fully issued share capital of its two primary Malaysian subsidiaries, Murphy Sabah Oil Co., Ltd. and Murphy Sarawak Oil Co., Ltd., to a subsidiary of PTT Exploration and Production Public Company Limited (PTTEP). PTTEP has paid Murphy \$2.035 billion in an all-cash transaction at closing after customary closing adjustments. Up to \$100 million bonus payment contingent upon certain future exploratory drilling results prior to October 2020 is payable.

The transaction has an effective date of January 1, 2019, and closed on July 10, 2019.

We derived the unaudited pro forma consolidated financial statements from the historical consolidated financial statements of the Company for the respective periods. The unaudited pro forma consolidated financial statements of operations for the years ended December 31, 2018, 2017, and 2016 and three months ended March 31, 2019 give effect to the sale as if the transaction occurred on January 1, 2016. The unaudited pro forma consolidated balance sheet as of March 31, 2019 gives effect to the sale as if the transaction occurred on March 31, 2019.

The pro forma adjustments are based on available information and certain assumptions that we believe are reasonable as of the date of this Current Report on Form 8-K. Assumptions underlying the pro forma adjustments related to the transaction are described in the accompanying notes. The pro forma adjustments reflected herein are based on management's expectations regarding the transaction. The unaudited pro forma consolidated financial statements are presented for illustrative purposes only and do not purport to indicate the results of operations of future periods or the results of operations that actually would have been realized had the transaction been consummated on the dates or for the periods presented.

The unaudited pro forma consolidated financial statements should not be relied upon as an indication of operating results that the Company would have achieved if the transactions contemplated herein had taken place on the specified date. In addition, future results may vary significantly from the results reflected in the unaudited pro forma consolidated statements of operations and should not be relied on as an indication of the future results the Company will have after the completion of the transactions noted in these unaudited pro forma consolidated financial statements.

The unaudited pro forma consolidated financial statements should be read in conjunction with the audited December 31, 2018 consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K filed on February 27, 2019 and the unaudited March 31, 2019 consolidated financial statements contained in the Company's Quarterly Report on Form 10-Q filed May 2, 2019.

**MURPHY OIL CORPORATION**  
**Unaudited Pro Forma Consolidated Balance Sheet**  
**As of March 31, 2019**

<i>(in thousands)</i>	<b>Murphy Oil Historical</b>	<b>Pro Forma Adjustments</b>	<b>Murphy Oil Adjusted</b>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 286,281	2,035,012 (a)	2,321,293
Accounts receivable, less allowance for doubtful accounts of \$1,605 in 2019 and 2018	349,768		349,768
Inventories	77,278		77,278
Prepaid expenses	45,349		45,349
Assets held for sale	1,879,568	(1,861,223) (b)	18,345
Total current assets	2,638,244	173,789	2,812,033
Property, plant and equipment, at cost less accumulated depreciation, depletion and amortization of \$8,359,120 in 2019 and \$8,070,487 in 2018	8,559,143		8,559,143
Operating lease assets	618,123		618,123
Deferred income taxes	124,679		124,679
Deferred charges and other assets	42,928		42,928
Total assets	<u>\$ 11,983,117</u>	<u>173,789</u>	<u>12,156,906</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current liabilities			
Current maturities of long-term debt	\$ 679		679
Accounts payable	475,559		475,559
Income taxes payable	15,450		15,450
Other taxes payable	14,283		14,283
Operating lease liabilities	155,534		155,534
Other accrued liabilities	157,031		157,031
Liabilities associated with assets held for sale	819,694	(819,433) (b)	261
Total current liabilities	1,638,230	(819,433)	818,797
Long-term debt, including capital lease obligation	3,110,098		3,110,098
Asset retirement obligations	783,495		783,495
Deferred credits and other liabilities	471,099		471,099
Non-current operating lease liabilities	468,427		468,427
Deferred income taxes	185,091		185,091
Equity			
Cumulative Preferred Stock, par \$100, authorized 400,000 shares, none issued	—		—
Common Stock, par \$1.00, authorized 450,000,000 shares, issued 195,083,364 shares in 2019 and 195,076,924 shares in 2018	195,083		195,083
Capital in excess of par value	924,904		924,904
Retained earnings	5,627,081	993,222 (c)	6,620,303
Accumulated other comprehensive loss	(580,999)		(580,999)
Treasury stock	(1,217,293)		(1,217,293)
Murphy Shareholders' Equity	4,948,776	993,222	5,941,998
Noncontrolling interest	377,901		377,901
Total equity	5,326,677	993,222	6,319,899
Total liabilities and shareholders' equity	<u>\$ 11,983,117</u>	<u>173,789</u>	<u>12,156,906</u>



**MURPHY OIL CORPORATION**  
**Unaudited Pro Forma Consolidated Statement of Operations**  
**For the Three Months Ended March 31, 2019**

<i>(in thousands)</i>	Murphy Oil Historical	(a) Pro Forma Adjustments	Murphy Oil Adjusted
<b>Revenues</b>			
Revenue from sales to customers	\$ 590,550		590,550
Gain on sale of assets and other income	454		454
Total revenues	<u>591,004</u>	<u>—</u>	<u>591,004</u>
<b>Costs and expenses</b>			
Lease operating expenses	131,696		131,696
Severance and ad valorem taxes	10,097		10,097
Exploration expenses, including undeveloped lease amortization	32,538		32,538
Selling and general expenses	63,360		63,360
Depreciation, depletion and amortization	229,406		229,406
Accretion of asset retirement obligations	9,340		9,340
Other expense	30,005		30,005
Total costs and expenses	<u>506,442</u>	<u>—</u>	<u>506,442</u>
Operating income from continuing operations	<u>84,562</u>	<u>—</u>	<u>84,562</u>
<b>Other income (loss)</b>			
Interest and other income (loss)	(4,748)		(4,748)
Interest expense, net	(46,069)		(46,069)
Total other loss	<u>(50,817)</u>	<u>—</u>	<u>(50,817)</u>
Income (loss) from continuing operations before income taxes	33,745		33,745
Income tax expense	10,822		10,822
Income from continuing operations	22,923	—	22,923
Income (loss) from discontinued operations, net of income taxes	49,846	(57,189)	(7,343)
Net income including noncontrolling interest	72,769	(57,189)	15,580
Less: Net income attributable to noncontrolling interest	32,587	—	32,587
<b>NET INCOME (LOSS) ATTRIBUTABLE TO MURPHY</b>	<u>\$ 40,182</u>	<u>(57,189)</u>	<u>(17,007)</u>
<b>INCOME (LOSS) PER COMMON SHARE – BASIC</b>			
Continuing operations	\$ (0.06)		(0.06)
Discontinued operations	0.29		(0.04)
Net income (loss)	<u>\$ 0.23</u>		<u>(0.10)</u>
<b>INCOME (LOSS) PER COMMON SHARE – DILUTED</b>			
Continuing operations	\$ (0.06)		(0.06)
Discontinued operations	0.29		(0.04)
Net income (loss)	<u>\$ 0.23</u>		<u>(0.10)</u>
Cash dividends per Common share	0.25		0.25
<b>Average Common shares outstanding (thousands)</b>			
Basic	173,341		173,341
Diluted	174,491		174,491

**MURPHY OIL CORPORATION**  
**Unaudited Pro Forma Consolidated Statement of Operations**  
**For the Year Ended December 31, 2018**

<i>(in thousands)</i>	Murphy Oil Historical	(a) Pro Forma Adjustments	Murphy Oil Adjusted
<b>Revenues</b>			
Revenue from sales to customers	\$ 2,586,627	(853,547)	1,733,080
Loss on crude contracts	(41,975)		(41,975)
Gain on sale of assets and other income	25,951	(698)	25,253
Total revenues	2,570,603	(854,245)	1,716,358
<b>Costs and expenses</b>			
Lease operating expenses	555,894	(202,062)	353,832
Severance and ad valorem taxes	52,072		52,072
Exploration expenses, including undeveloped lease amortization	103,977	(2,165)	101,812
Selling and general expenses	216,024	(10,832)	205,192
Depreciation, depletion and amortization	971,901	(196,287)	775,614
Accretion of asset retirement obligations	44,559	(17,440)	27,119
Impairment of assets	20,000		20,000
Redetermination expense	11,332	(11,332)	—
Other expense (benefit)	(34,873)	3	(34,870)
Total costs and expenses	1,940,886	(440,115)	1,500,771
Operating income from continuing operations	629,717	(414,130)	215,587
<b>Other income (loss)</b>			
Interest and other income (loss)	(15,775)	23,549	7,774
Interest expense, net	(181,604)	1,245	(180,359)
Total other loss	(197,379)	24,794	(172,585)
Income from continuing operations before income taxes	432,338	(389,336)	43,002
Income tax expense (benefit)	9,330	(135,466)	(126,136)
Income from continuing operations	423,008	(253,870)	169,138
Loss from discontinued operations, net of income taxes	(3,522)	—	(3,522)
Net income including noncontrolling interest	419,486	(253,870)	165,616
Less: Net income attributable to noncontrolling interest	8,392	—	8,392
<b>NET INCOME ATTRIBUTABLE TO MURPHY</b>	<b>\$ 411,094</b>	<b>(253,870)</b>	<b>157,224</b>
<b>INCOME (LOSS) PER COMMON SHARE – BASIC</b>			
Continuing operations	\$ 2.39		0.92
Discontinued operations	(0.01)		(0.01)
Net income	\$ 2.38		0.91
<b>INCOME (LOSS) PER COMMON SHARE – DILUTED</b>			
Continuing operations	\$ 2.37		0.91
Discontinued operations	(0.01)		(0.01)
Net income	\$ 2.36		0.90
Cash dividends per Common share	1.00		1.00
<b>Average Common shares outstanding (thousands)</b>			
Basic	172,974		172,974
Diluted	174,209		174,209

**MURPHY OIL CORPORATION**  
**Unaudited Pro Forma Consolidated Statement of Operations**  
**For the Year Ended December 31, 2017**

<i>(in thousands)</i>	Murphy Oil Historical	(a) Pro Forma Adjustments	Murphy Oil Adjusted
<b>Revenues</b>			
Revenue from sales to customers	\$ 2,078,548	(778,084)	1,300,464
Gain on crude contracts	9,566		9,566
Gain on sale of assets and other income	137,015	(3,057)	133,958
Total revenues	<u>2,225,129</u>	<u>(781,141)</u>	<u>1,443,988</u>
<b>Costs and expenses</b>			
Lease operating expenses	468,323	(168,903)	299,420
Severance and ad valorem taxes	43,618		43,618
Exploration expenses, including undeveloped lease amortization	122,834	(2,445)	120,389
Selling and general expenses	203,573	(15,368)	188,205
Depreciation, depletion and amortization	957,719	(205,841)	751,878
Accretion of asset retirement obligations	42,590	(17,308)	25,282
Redetermination expense	15,000	(15,000)	—
Other expense	30,706	(8,377)	22,329
Total costs and expenses	<u>1,884,363</u>	<u>(433,242)</u>	<u>1,451,121</u>
Operating income (loss) from continuing operations	<u>340,766</u>	<u>(347,899)</u>	<u>(7,133)</u>
<b>Other income (loss)</b>			
Interest and other income (loss)	(87,181)	(10,316)	(97,497)
Interest expense, net	(181,783)	3,520	(178,263)
Total other loss	<u>(268,964)</u>	<u>(6,796)</u>	<u>(275,760)</u>
Income (loss) from continuing operations before income taxes	71,802	(354,695)	(282,893)
Income tax expense	382,738	(112,616)	270,122
Loss from continuing operations	(310,936)	(242,079)	(553,015)
Loss from discontinued operations, net of income taxes	(853)		(853)
Net loss including noncontrolling interest	(311,789)	(242,079)	(553,868)
Less: Net income attributable to noncontrolling interest	—	—	—
<b>NET INCOME ATTRIBUTABLE TO MURPHY</b>	<u>\$ (311,789)</u>	<u>(242,079)</u>	<u>(553,868)</u>
<b>INCOME (LOSS) PER COMMON SHARE – BASIC</b>			
Continuing operations	\$ (1.81)		(3.21)
Discontinued operations	—		—
Net income (loss)	<u>\$ (1.81)</u>		<u>(3.21)</u>
<b>INCOME (LOSS) PER COMMON SHARE – DILUTED</b>			
Continuing operations	\$ (1.81)		(3.21)
Discontinued operations	—		—
Net income (loss)	<u>\$ (1.81)</u>		<u>(3.21)</u>
Cash dividends per Common share	1.00		1.00
<b>Average Common shares outstanding (thousands)</b>			
Basic	172,524		172,524
Diluted	172,524		172,524

**MURPHY OIL CORPORATION**  
**Unaudited Pro Forma Consolidated Statement of Operations**  
**For the Year Ended December 31, 2016**

<i>(in thousands)</i>	Murphy Oil Historical	(a) Pro Forma Adjustments	Murphy Oil Adjusted
<b>Revenues</b>			
Revenue from sales to customers	\$ 1,862,891	(751,257)	1,111,634
Loss on crude contracts	(63,412)		(63,412)
Gain on sale of assets and other income	11,759	(2,181)	9,578
Total revenues	<u>1,811,238</u>	<u>(753,438)</u>	<u>1,057,800</u>
<b>Costs and expenses</b>			
Lease operating expenses	559,360	(168,470)	390,890
Severance and ad valorem taxes	43,826	(5)	43,821
Exploration expenses, including undeveloped lease amortization	101,861	(4,746)	97,115
Selling and general expenses	246,277	(23,379)	222,898
Depreciation, depletion and amortization	1,054,081	(228,991)	825,090
Accretion of asset retirement obligations	46,742	(16,336)	30,406
Impairment of assets	95,088		95,088
Redetermination expense	39,100	(39,100)	—
Other expense (benefit)	13,806	(23,653)	(9,847)
Total costs and expenses	<u>2,200,141</u>	<u>(504,680)</u>	<u>1,695,461</u>
Operating loss from continuing operations	<u>(388,903)</u>	<u>(248,758)</u>	<u>(637,661)</u>
<b>Other income (loss)</b>			
Interest and other income (loss)	43,958	(7,962)	35,996
Interest expense, net	(148,170)	7,876	(140,294)
Total other loss	<u>(104,212)</u>	<u>(86)</u>	<u>(104,298)</u>
Income (loss) from continuing operations before income taxes	(493,115)	(248,844)	(741,959)
Income tax expense (benefit)	(219,172)	(82,554)	(301,726)
Loss from continuing operations	(273,943)	(166,290)	(440,233)
Loss from discontinued operations, net of income taxes	(2,027)		(2,027)
Net loss including noncontrolling interest	(275,970)	(166,290)	(442,260)
Less: Net income attributable to noncontrolling interest	—	—	—
<b>NET LOSS ATTRIBUTABLE TO MURPHY</b>	<u>\$ (275,970)</u>	<u>(166,290)</u>	<u>(442,260)</u>
<b>INCOME (LOSS) PER COMMON SHARE – BASIC</b>			
Continuing operations	\$ (1.59)		(2.56)
Discontinued operations	(0.01)		(0.01)
Net income (loss)	<u>\$ (1.60)</u>		<u>(2.57)</u>
<b>INCOME (LOSS) PER COMMON SHARE – DILUTED</b>			
Continuing operations	\$ (1.59)		(2.56)
Discontinued operations	(0.01)		(0.01)
Net income (loss)	<u>\$ (1.60)</u>		<u>(2.57)</u>
Cash dividends per Common share	1.00		1.00
<b>Average Common shares outstanding (thousands)</b>			
Basic	172,173		172,173
Diluted	172,173		172,173

**MURPHY OIL CORPORATION**  
**Notes to Unaudited Pro Forma Condensed Consolidated**  
**Financial Statements**

**1. Basis of Pro Forma Presentation**

The accompanying unaudited pro forma financial statements for Murphy Oil Corporation (the Company) were prepared in accordance with Article 11 of Regulation S-X and are based on the historical consolidated financial information of Murphy Oil Corporation. The consolidated financial information has been adjusted in the accompanying pro forma financial statements to give effect to the disposition of certain assets and liabilities of the Company's two primary Malaysian subsidiaries.

The unaudited pro forma consolidated financial statements of operations for the years ended December 31, 2018, 2017, and 2016 and three months ended March 31, 2019 give effect to the sale as if the transaction occurred on January 1, 2016. The unaudited pro forma consolidated balance sheet as of March 31, 2019 gives effect to the sale as if the transaction occurred on March 31, 2019.

**2. Adjustments to the Pro Forma Consolidated Balance Sheet**

Explanations of the adjustments to the pro forma consolidated balance sheet are as follows:

- (a) To reflect the consummation of the transaction for gross cash consideration of \$2,127.0 million, less \$92.0 million of estimated closing adjustments.
- (b) To reflect the disposition of certain assets and liabilities of the Company's two primary Malaysian subsidiaries.
- (c) To reflect the estimated gain on sale.

**3. Adjustments to the Pro Forma Combined Statements of Income**

Explanations of the adjustments to the pro forma consolidated statements of operations are as follows:

- (a) To remove the historical results of operations of the Company's two primary Malaysian subsidiaries.