



QUARTERLY IR UPDATES

1Q FYE December 2011 Interim Financial Results

16 August 2011



Engineered for Growth

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Highlights



► Operational

- Gumusut-Kakap FPS is more than 90% completed. Preparation for Superlift Tower in progress
- Kinabalu Topside almost 60% completed
- Commenced work on FPSO Cendor and FSU Lekas

► Financial

- Revenue +4% QoQ with FPSO Cendor
- Operating profit -27% QoQ with higher materials cost
- Net profit -39% QoQ, providing interim normal tax rate pending further ITA on YO

► Corporate developments

- Established Technip MHB Hull Engineering Sdn Bhd joint-venture
- Entered into MOU for proposed acquisition of Sime Darby's Pasir Gudang Yard



Engineering & Construction



► Gumusut-Kakap FPS

- 1st Asia Pacific's deepwater FPS
- Total weight of 40,000 MT
- Contract value of RM5.6 billion
- Superlift Tower is being put in place
- Living Quarters installed on North Module
- Topsides and Hull fabrication are more than 90% completed. Target loadout in 2012

► Kinabalu Topside

- 1st high-temperature, high-pressure (HTHP) gas production topside
- Total topside weight of 14,000 MT
- Contract value of RM751 million
- Erected 361 MT MSF-North Cap beam and Helideck
- 60% completed. Target completion mid-2012

Engineering & Construction



► Turkmenistan Block 1 Phase 1, Onshore Gas Terminal (OGT)

- Magtymguly Collection Riser-A's HUC and wells tie-ins were completed
- OGT Gas Train 1 is completed and commissioned. Train 2 to be completed by end-2011. Combined production capacity of both trains at 500 million cubic feet per day
- Waste water treatment area built, to be commissioned by 4Q 2011
- Prime Minister Datuk Seri Najib Razak and Turkmenistan President Gurbanguly Berdimuhamedov officiated commencement of OGT's operations in a ceremony on 12th July 2011

Marine Repair & Conversion



► FPSO Cendor

- EPCC contract for repair, life extension and conversion of MT Onozo to FPSO Cendor
- Spread moored FPSO with storage capacity of 745,500 barrels and oil processing capacity of 35,000 barrels per day
- 11th FPSO/FSO conversions by MMHE
- Targeted sail away by 2Q 2013

► Floating Storage Unit (FSU) Lekas

- 1st FSU conversion, of Tenaga Satu, for Malaysia's 1st regasification plant
- Cargo tank capacity of 130,000m³
- Vessel built in 1982. To repair and extend LNG carrier lifespan by another 20 years
- Lump-sum contract in USD
- Targeted delivery by 2Q 2012



Income Statement, 3-Month 1Q FYE December 2011

► Revenue +4% QoQ

- E&C revenue is marginally lower due to less progress billings at subcontractors level
- MRC improved with FPSO Cendor project

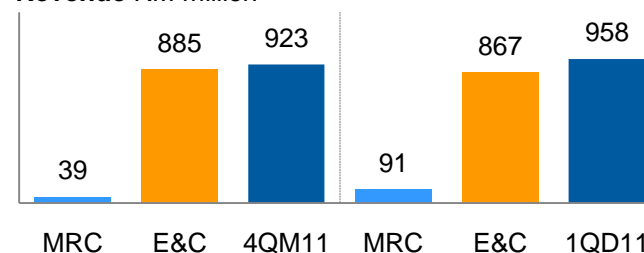
► Operating profit -27% QoQ

- E&C materials cost increased, billing for some projects near completion
- MRC improved. No provision required unlike in previous quarter

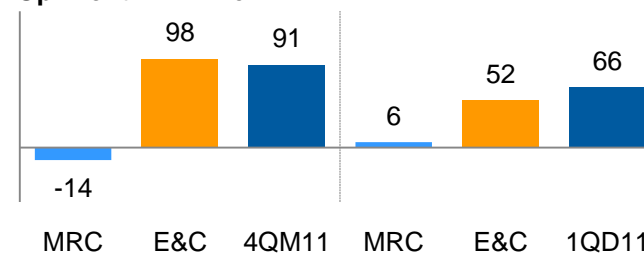
► Operating profit margin at 6.9%

- E&C margin declined due to higher materials cost
- MRC margin normalised in 1Q. Repairs of LNG vessels contributed to better margins

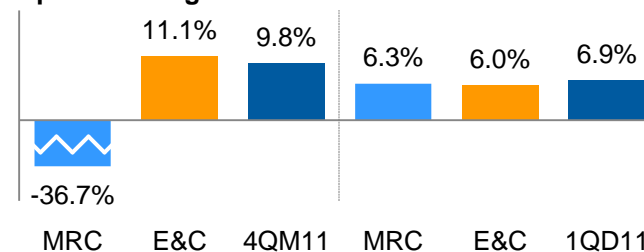
Revenue RM million



Op Profit RM million



Op Profit Margin %





Income Statement, 3-Month 1Q FYE December 2011

➤ Pretax profit -15% QoQ

- Higher share of profit from jointly controlled entities (JCE), mainly from MMHE-TPGM
- No finance cost

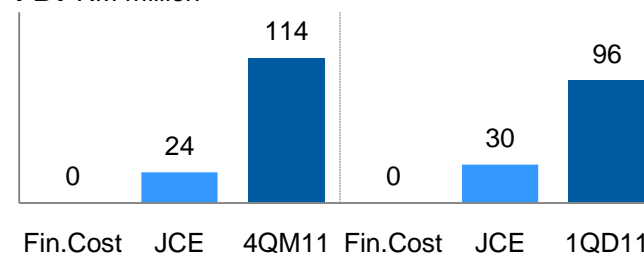
➤ Net profit -39% QoQ

- Providing for interim normal tax rate pending approval of some tax credit from Investment Tax Allowance (ITA) on Yard Optimisation

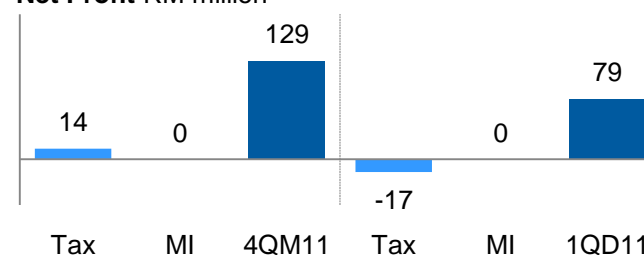
➤ Per Share

- Net EPS of 4.9 sen per share in 1Q

PBT RM million



Net Profit RM million

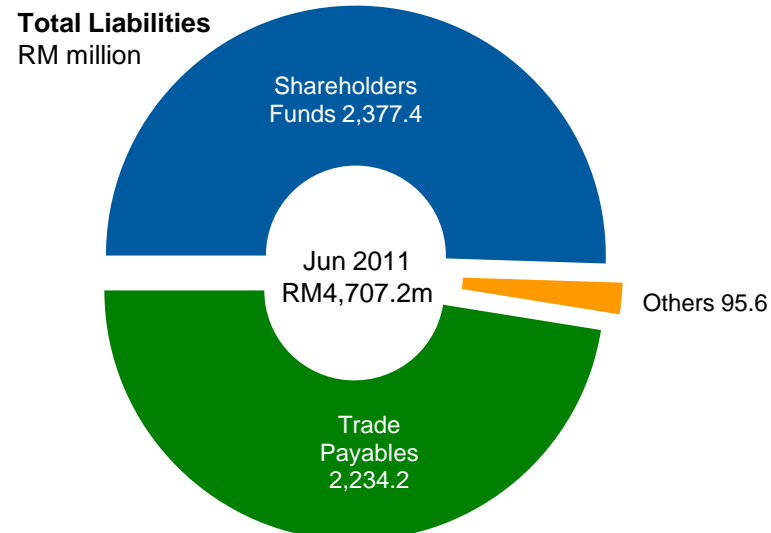
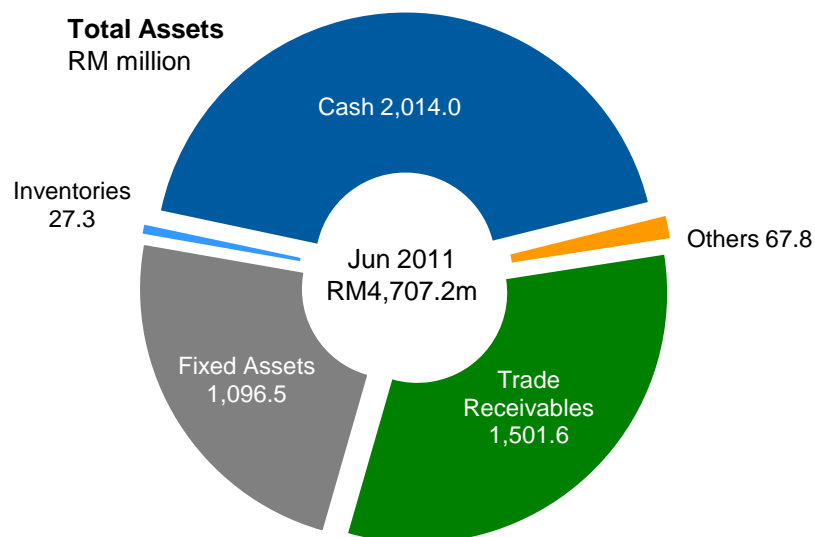


Balance Sheet



► Strong balance sheet

- Fixed assets +2% QoQ to RM1.2bn
- Cash +39% QoQ to RM2.0bn
- Shareholders' funds +3% QoQ to RM2.4bn
- Balance sheet can accommodate corporate exercise



Order Book

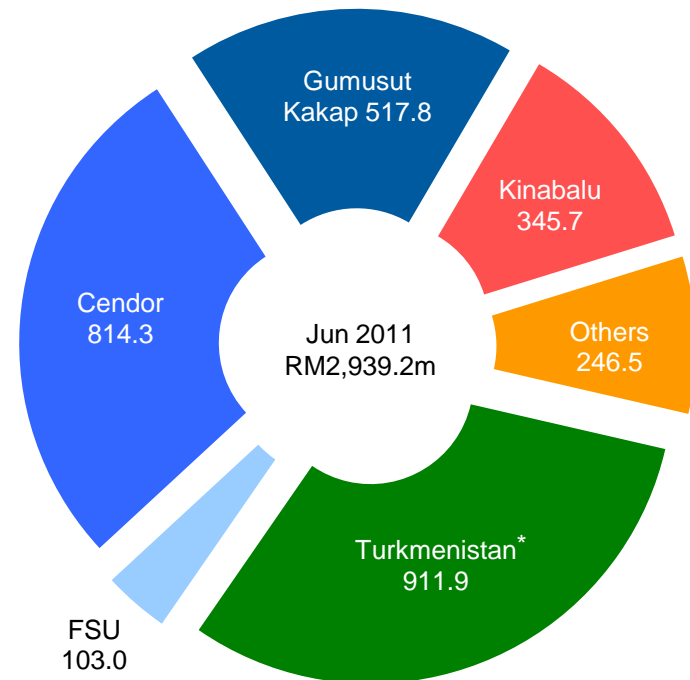


➤ **Orderbook consist mostly of**

- FPSO Cendor
- Turkmenistan Block 1 Phase 1
- Gumusut-Kakap FPS
- Kinabalu Topsides

➤ **Orderbook expected to increase**

Order Book RM million



Technip MHB Hull Engineering Sdn Bhd



‣ JV with Technip

- Conceptual, Front-End Engineering and Design (“FEED”) and detailed design engineering services
- Floating structures and hull
 - Mono hull, spar (excluding GoM), semi-submersible, TLP

‣ Leveraging on partners’ expertise

- Technip’s design engineering capability
- MHB’s fabrication expertise

‣ Target market

- Malaysia
- Regional and eventually global customers

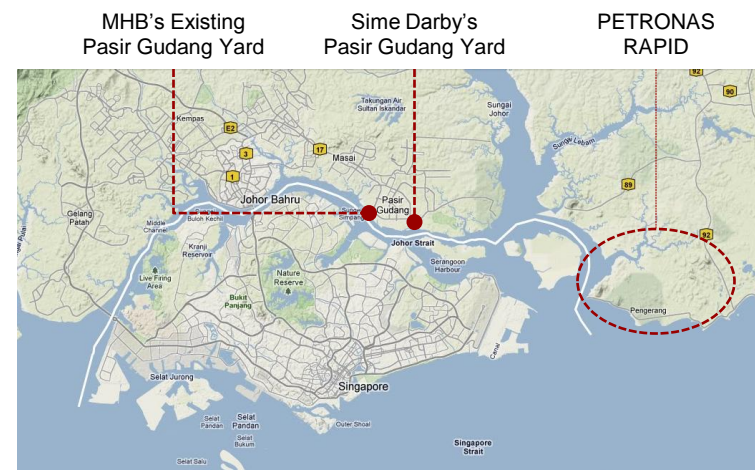
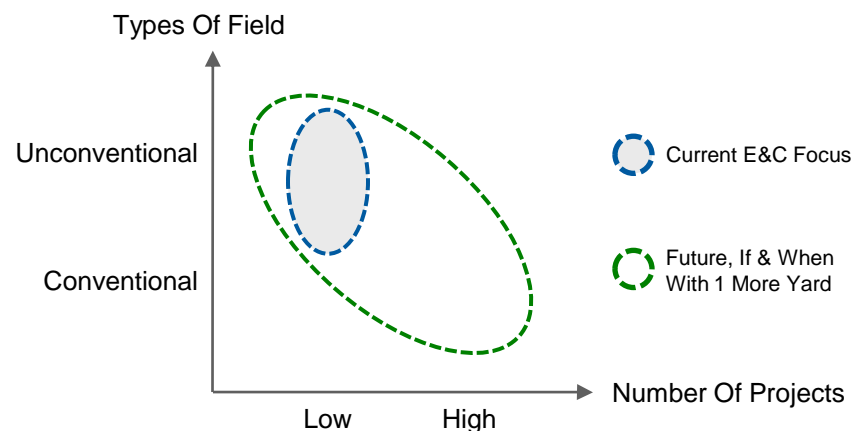


Shell Prelude FLNG Facility, Using Technip’s Engineering

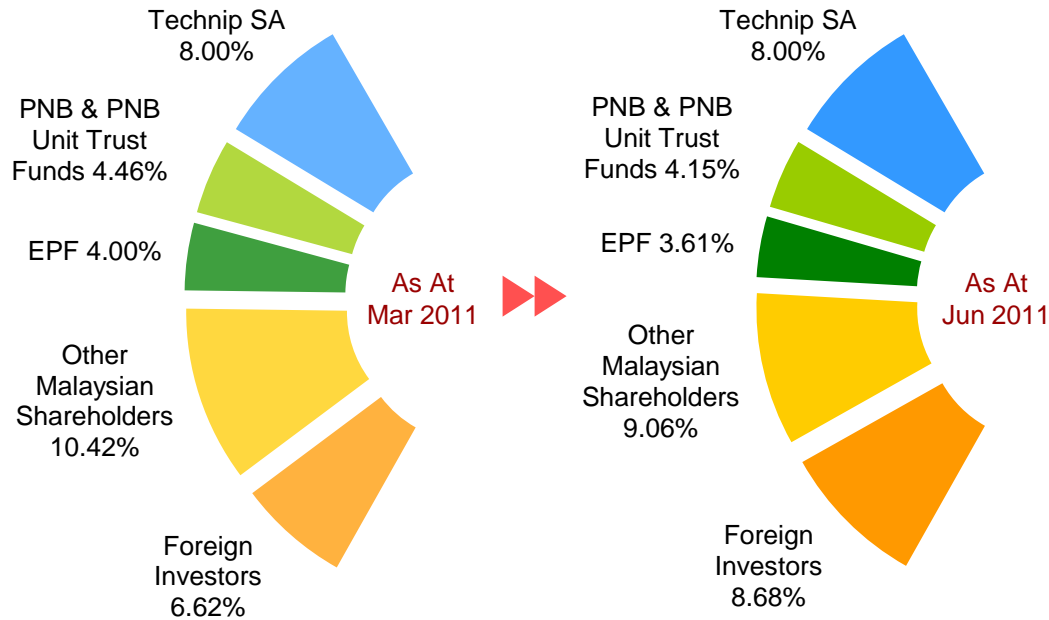


- Proposed acquisition of Sime Darby's Pasir Gudang Yard
- Extended due-diligence period to consider novation of contract(s) currently awarded to Sime Darby
- Provisional purchase price of RM399 million

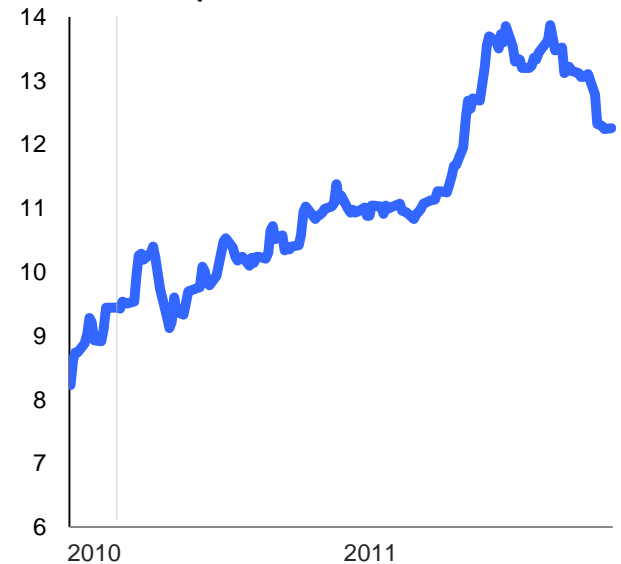
- Fast-track operational expansion
- Strengthened ability to bid/execute wider-range, larger, higher value projects
- Capitalize on PETRONAS' capital expenditure programme
- Scope for specialisation and enhanced facilities
- Create earnings growth



Shareholding Information



Market Capitalisation RM billion



Listing
Sector

Bursa Malaysia Main Market
Trading/Services

Index Component

- FTSE Bursa Malaysia KLCI
- MSCI Malaysia

Thank You Merci



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