



QUARTERLY IR UPDATES

2QFY2011 Interim Financial Results



Income Statement & Balance Sheet

Income Statement RM million	2Q FY11 Jul 10-Sep 10	1Q FY11 Apr 10-Jun 10	YTD FY11 Apr 10-Sep 10	YTD FY10 Apr 09-Sep 09
Revenue	1,022.9	1,172.9	2,195.8	3,091.7
Profit From Operations	101.0	95.7	196.7	92.8
Profit Before Tax	101.5	95.1	196.6	92.4
Net Profit	77.7	110.2	188.0	66.1
EBIT Margin (%)	9.9%	8.2%	9.0%	3.0%
ROE (%)	28.6%	33.7%	34.6%	na
ROA (%) ¹	29.1%	42.2%	35.2%	na

- Lower revenue recognition at Engineering & Construction and the Marine Repair & Marine Conversion segments in 2QFY11
- However, profit before tax increased due to
 - Higher profits earned from increased fabrication and installation activities at the Gumusut-Kakap FPS and Turkmenistan Block 1 Phase 1 projects
 - Contribution from Tangga Barat Topside
 - Higher interest income from cash deposits
- Lower net profit as we have recognised the Investment Tax Allowance (ITA) benefits for the first time in 1QFY11

Balance Sheet RM million	Sep 2010	Jun 2010	FYE Mar 2010
Receivables	2,047.3	1,872.2	2,979.3
Cash	1,118.5	1,347.1	765.9
Total Assets	4,267.8	4,298.7	4,784.1
Shareholders' Funds	1,086.3	1,308.6	1,198.4
Total Borrowings	1.4	2.2	305.5
Net Cash Over Equity	1.03x	1.03x	0.38x
NTA Per Share (sen) ²	67.9 sen	81.8 sen	74.9 sen

- Total borrowings remained minimal at RM1.4m and MHB was effectively in a net cash position
- After the IPO, net off the listing expenses, MHB would receive cash of approximately RM908.8m. MHB was listed on 29th October
- MHB's overall cash balance would be used for working capital while all the net IPO proceeds would be allocated for the Yard Optimisation Programme in Pasir Gudang and also for capital expenditure in Turkmenistan

Notes: 1 - Calculated based on non-current assets

2 - Calculated based on 1,600 million shares of RM0.50 nominal value (post-IPO issued shares)

Engineering & Construction

RM million	2Q FY11 Jul 10-Sep 10	1Q FY11 Apr 10-Jun 10	YTD FY11 Apr 10-Sep 10	YTD FY10 Apr 09-Sep 09
Revenue	942.9	1,060.0	2,002.8	na
Profit From Operations	61.0	52.0	113.0	na
EBIT Margin (%)	6.5%	4.9%	5.6%	na

- Segmental analysis
 - The lower revenue was mainly due to near completion of the procurement activities at the Turkmenistan Block 1 Phase 1 project. The project was more than 80% completed already and during the 2QFY11, fabrication and installation work were being carried out
 - However, higher profits is earned from the Gumusut-Kakap FPS project. During the 2QFY11, the project has graduated to the fabrication phase
- Operational updates
 - Gumusut-Kakap FPS project. MHB is constructing the first deepwater floating production system to be deployed in Malaysia and even in this region. The project is attaining good progress and reaching its planned milestones. The topside section was more than half completed. The semi-submersible hull is more than three-quarter being completed as of 2QFY11 (see the lower picture on the right). Upon completion, the structure would weigh approximately 38,000 metric tonne
 - Turkmenistan Block 1 Phase 1 has progressed to installation phase
 - Tangga Barat Central Processing Platform (TBCP-A) Topside was completed and loaded out as at end of 2QFY11. The 10,000 metric-tonne TBCP-A structure accommodated all processing facilities, booster compression, acid gas removal system, main power generation, utilities and living quarters for field operation
- Moving forward
 - As the Gumusut-Kakap FPS project moves towards the Fixed-Price billing method, depending on timing differences, more working capital could potentially be required. MHB's strong balance sheet would be able to accommodate this requirement

Project Highlights



Tangga Barat

The topside structure was completed for Petronas Carigali as at end-2QFY11. It was subsequently loaded out and sailed away successfully



Gumusut-Kakap Semisubmersible FPS

The semi-submersible hull (in beige and yellow) was more than three-quarter completed by end-2QFY11

Marine Repair And Conversion

RM million	2Q FY11 Jul 10-Sep 10	1Q FY11 Apr 10-Jun 10	YTD FY11 Apr 10-Sep 10	YTD FY10 Apr 09-Sep 09
Revenue	80.2	112.6	192.7	na
Profit From Operations	37.8	22.5	60.3	na
EBIT Margin (%)	47.2%	20.0%	31.3%	na

- Segmental analysis
 - The lower revenue was mainly due to less sales generated per vessel repaired in 2QFY11 as shipowners and operators remained cost-conscious
 - However, profit from operations improved materially due to closed-out of prior year contracts in the current quarter. The FPSO conversion was already completed and the vessel delivered to its owner, Vietnam Offshore Floating Terminal (VOFT)
- Operational updates
 - FPSO Ruby II was previously an Aframax tanker called MT Cherry II, originally built in 1990. After total repairs, conversion of the former tanker and construction of the turret and topside, the FPSO is now deployed at 155 km east of Vung Tau, offshore of Vietnam
 - During the 2QFY11, MHB repaired mainly LNG and LPG carriers, tankers, rigs/MOPU and container vessels
- Moving forward
 - The performance of the Marine Repair & Marine Conversion segment is expected to be satisfactory in the second half but MHB is cognisant that shipowners and operators are expected to remain cost-conscious until market conditions improve further

Project Highlights



FPSO Ruby II

After successful conversion into a FPSO, the vessel is now deployed in offshore Vietnam



MT Cherry II

The original Aframax tanker built in 1990 with storage capacity of 745,000 barrels

Major Projects, Order Book & Yard Operational Updates

Major Projects As At 30 September 2010	Customer	Expected Completion Date	Type Of Contract
Collector & Riser Platform Turkmenistan Block 1 Phase 1	Petronas Carigali (Turkmenistan)	Mar 2011	Cost-plus
Deepwater FPS Gumusut-Kakap FPS	MISC	Feb 2012	Combination
Topside Kinabalu Topside	Petronas Carigali	Apr 2012	Combination
Topside Tangga Barat Topside	Petronas Carigali	Completed in Sep 2010 Sailed away in Oct 2010	Combination
Turret BP Angola External Turret	Sofec Inc.	Nov 2010	Fixed-Price

Orderbook As At 30 September 2010	Contract Value (RM million)
Engineering & Construction	5,010.6
Marine Repair & Marine Conversion (MR window of 1 month)	17.5
Total	5,028.1

Yard Optimisation Programme Updates

- MHB was listed on 29th October and as such, the IPO proceeds are not available yet as at 30th September 2010 for the Yard Optimisation (YO) Programme in Pasir Gudang and capital expenditure for the Kiyarly Yard in Turkmenistan
- The YO Programme would need to be implemented in phases to minimise operational disruption to ongoing activities at the Yard as existing projects need to adhere to timelines already committed to our clients

Thank You



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