



QUARTERLY IR UPDATES

3QFY2011 Interim Financial Results



Income Statement & Balance Sheet

Income Statement RM million	3Q FY11 Oct 10-Dec 10	2Q FY11 Jul 10-Sep 10	YTD FY11 Apr 10-Dec 10	YTD FY10 Apr 09-Dec 09
Revenue	1,316.4	1,022.9	3,512.1	4,550.8
Profit From Operations	112.4	101.0	309.0	202.1
Profit Before Tax	113.3	101.5	308.9	199.8
Net Profit	134.1	77.7	322.1	164.1
EBIT Margin (%)	8.5%	9.9%	8.8%	4.4%
ROE (%)	24.7%	28.6%	19.7%	na
ROA (%) ¹	50.0%	29.1%	40.0%	na

- Higher revenue recognition at Engineering & Construction in 3QFY11
- Profit before tax increased QoQ due to:
 - Kinabalu Topside, which has reached a major milestone
 - Higher profits earned from ongoing fabrication and installation activities at the Turkmenistan Block 1 Phase 1 project
- Tax credit in 3QFY11 due to Investment Tax Allowance (ITA) benefits that was recognised for the quarter ended 31 Dec
- EBIT margin normalise in 3QFY11 after closed-out of prior year contracts in 2QFY11

Balance Sheet RM million	Dec 2010	Sep 2010	FYE Mar 2010
Receivables	2,430.2	2,047.3	2,979.3
Cash	1,792.9	1,118.5	765.9
Total Assets	5,329.7	4,267.8	4,784.1
Shareholders' Funds	2,176.4	1,086.3	1,198.4
Total Borrowings	0.7	1.4	305.5
Net Cash Over Equity	0.82x	1.03x	0.38x
NTA Per Share (sen) ²	136.0 sen	67.9 sen	74.9 sen

- Receivables increased QoQ due to higher amount of trade debtors and is expected to normalise in subsequent quarters
- Cash balance increased to RM1.8 billion after receiving the IPO proceeds in 3QFY11
- MHB's overall cash balance would be used for working capital while net IPO proceeds would be allocated for the Yard Optimisation (YO) Programme in Pasir Gudang and also for capital expenditure in Turkmenistan. As at 31 Dec, there has yet to be utilisation from the IPO proceeds for the YO Programme
- NTA per share doubled to RM1.36

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	3Q FY11 Oct 10-Dec 10	2Q FY11 Jul 10-Sep 10	YTD FY11 Apr 10-Dec 10	YTD FY10 Apr 09-Dec 09
Revenue	1,269.2	942.9	3,272.0	na
Profit From Operations	104.9	61.0	217.8	na
EBIT Margin (%)	8.3%	6.5%	6.7%	na

- Segmental analysis
 - The higher revenue was mainly due to both the Gumusut-Kakap FPS project and Turkmenistan Block 1 Phase 1 project
 - There were also increased billings for fabrication and installation activities for the Turkmenistan Block 1 Phase 1 project, hence contributing to the increased in overall receivables as at 31 Dec
- Operational updates
 - Turkmenistan Block 1 Phase 1 nears completion
 - As at 31 Dec, the 7,900 MT MCR-A Gravity Base Structure (GBS) was completed. It was subsequently successfully loaded out and sailaway to location in Jan 2011
 - Also as at 31 Dec, the fabrication and pre-commissioning of the 5,740 MT topside Magtymguly Collection Riser-A (MCR-A) was completed. Topside load-out preparation is currently in place and would commence after the GBS installation is completed
 - Onshore Gas Terminal (OGT) has reached 97% completion. It is scheduled to be commissioned by 2QCY2011 and it would have a processing capacity of 1 Bscfd (billion standard cubic feet per day) of gas
 - BP Angola external turret was completed and successfully sailaway in Nov 2010. The 2,500 MT turret was installed and mounted on FPSO PSVM. At a height of 54 metres, it is one of the largest externally bow mounted turrets in the world
 - Gumusut-Kakap FPS, the first deepwater floating production system to be deployed in Malaysia, achieved favourable progress and reached its planned milestones. It is now approximately 85% completed. The superlift to integrate the Topside with the Hull is scheduled to be implemented in 3QCY2011
- Moving forward
 - Operationally, Turkmenistan Block 1 Phase 1 is near completion. Billing and revenue recognition will continue but will ease as the project nears closed-out
 - In Turkmenistan, negotiations with the Government on managing/operating the Kiyarly Yard is still ongoing. In the meantime, MHB is preparing for subsequent projects in that country
 - E&C tenderbook is more than RM7 billion. Even though protracted, contracts are expected to be awarded in the near future

Project Highlights



Turkmenistan Block 1 Phase 1

Completed Gravity Base Structure (on the left) has sailaway to location while the Magtymguly Collection Riser-A (yellow structure) has just been completed



BP Angola External Turret

Completed external bow mounted turret, one of the world's largest, sailaway. Mounted on FPSO PSVM

Marine Repair And Conversion

RM million	3Q FY11 Oct 10-Dec 10	2Q FY11 Jul 10-Sep 10	YTD FY11 Apr 10-Dec 10	YTD FY10 Apr 09-Dec 09
Revenue	45.9	80.2	238.6	na
Profit From Operations	2.3	37.8	62.7	na
EBIT Margin (%)	5.1%	47.2%	26.3%	na

- Segmental analysis
 - The lower revenue was mainly due to less sales as shipowners and operators remained cost-conscious. Shipping charter rates have generally remained unfavourable in 3QFY11
 - Profit from operations declined as the external business environment has remained very competitive. Unlike the previous quarter, there were no closed-out of prior year contracts in 3QFY11
- Operational updates
 - During the 3QFY11, MHB repaired 21 vessels, mainly LNG carriers, tankers and container vessels
 - MISC's LNG vessel, Puteri Nilam, received regular repair and maintenance at the Pasir Gudang in 3QFY11. The Prime Minister Datuk Seri Najib Tun Razak boarded the vessel and was given a guided tour since Puteri Nilam's dry docking coincided with his visit to the Yard
- Moving forward
 - The performance of the Marine Repair & Marine Conversion segment is expected to remain at prevailing levels and MHB is cognisant that shipowners and operators are expected to remain cost-conscious until market conditions improve further
 - Competing shipyards are offering credit terms and MHB would do likewise to long-standing and established clients
 - MHB is currently tendering for several projects and activities at the Marine Repair & Marine Conversion is expected to increase towards the end of 4QCY2011

Project Highlights



Visit By Prime Minister To Pasir Gudang's Yard
Prime Minister Datuk Seri Najib Tun Razak visited the Yard in November 2010 and boarded the *Puteri Nilam* LNG vessel while it was in the dry dock



Puteri Nilam
MISC's LNG vessel at Pasir Gudang's 450,000 dwt dry dock 1 to receive regular repair and maintenance

Major Projects, Order Book & Yard Operational Updates

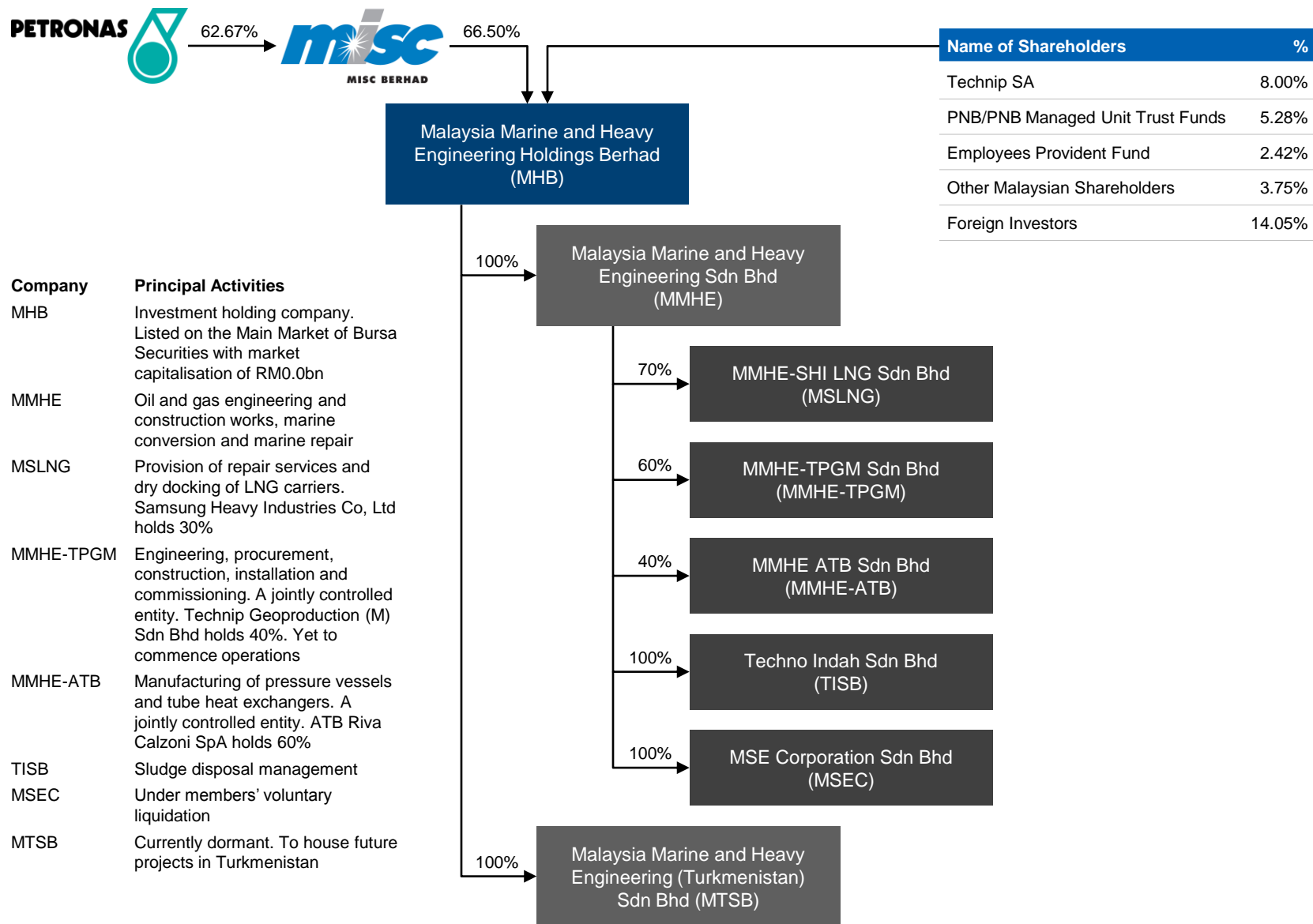
Major Projects As At 30 September 2010	Customer	Expected Completion Date	Type Of Contract
Collector & Riser Platform Turkmenistan Block 1 Phase 1	Petronas Carigali (Turkmenistan)	2QCY2011	Cost-plus
Deepwater FPS Gumusut-Kakap FPS	MISC	2QCY2012	Combination
Topside Kinabalu Topside	Petronas Carigali	2QCY2012	Combination
Turret BP Angola External Turret	Sofec Inc.	Completed and sailed away in Nov 2010	Fixed-Price

Orderbook As At 31 December 2010	Contract Value (RM million)
Engineering & Construction	3,557.3
Marine Repair & Conversion (MR window of 1 month)	7.3
Total	3,564.6

Yard Optimisation Programme Updates

- MHB was listed on 29th October and the IPO proceeds were available for Yard Optimisation (YO) Programme in Pasir Gudang and capital expenditure for the Kiyarly Yard in Turkmenistan as at 31 Dec. However, there is no utilisation yet as certain projects approved earlier were still being completed
- Capex on individual projects within the YO Programme still requires MHB's Board approval as the commercial and technical merits are assessed objectively and independently
- Also, 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

Shareholding & Organisational Structure (As at 31 Dec 2010)



Company	Principal Activities
MHB	Investment holding company. Listed on the Main Market of Bursa Securities with market capitalisation of RM0.0bn
MMHE	Oil and gas engineering and construction works, marine conversion and marine repair
MSLNG	Provision of repair services and dry docking of LNG carriers. Samsung Heavy Industries Co, Ltd holds 30%
MMHE-TPGM	Engineering, procurement, construction, installation and commissioning. A jointly controlled entity. Technip Geoproduction (M) Sdn Bhd holds 40%. Yet to commence operations
MMHE-ATB	Manufacturing of pressure vessels and tube heat exchangers. A jointly controlled entity. ATB Riva Calzoni SpA holds 60%
TISB	Sludge disposal management
MSEC	Under members' voluntary liquidation
MTSB	Currently dormant. To house future projects in Turkmenistan

THANK YOU



Engineered for Growth

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