



ANALYST BRIEFING

2nd Quarter 2013 Financial Results & Updates

14th August 2013



"Transformation for Success"

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Highlights

› Operational

- Vendors Dialogue with 219 suppliers and sub-contractors

› Financials

- Revenue -15% QoQ to RM787m
- Profit before taxation -7% QoQ to RM53m

› Projects

- Successful float-off / sailaway
 - Gumusut-Kakap FPS
 - Telok-B topside
- 1st steel cut in Cutting and Assembly Workshop
 - TLP Malikai Deepwater Project
- Secured 2 projects for refurbishment and conversion of MODU to MOPU



Gumusut-Kakap FPS Sailed Away On Blue Marlin

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95% Completed With 3rd Heavy Lift Accomplished Safely

5

FPSO Cendor



Almost 8.0 Million Manhours Without LTI. The 18,000 MT Tapis-R Deck Is 85% Completed

6

Tapis Enhanced Oil Recovery (EOR) Project



Telok-B Loaded Out Successfully And Sailed Away In June 2013

7

Telok Gas Development (TeA & TeB Topsides)



Almost 90% Completed. Sailaway Scheduled To Be 1Q2014

8

Kebabangan Northern Hub Development



Project Is 87% Completed After More Than 1.0 Million Manhours Without LTI

9

F14/F29 Topsides, Substructure & Process Module



1,800MT Damar A Topside Is 66% Completed

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Damar Platform Project



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Income Statement, QoQ

➤ Revenue -15%

- OBU, lower contribution by Gumusut Kakap FPS and Telok Gas Development projects
- MBU, more LNG vessel repair and secured 2 MOPU projects

➤ Operating profit -5%

- OBU, Malikai project still in preliminary stage
- MBU, contribution from more LNG vessel repair projects

➤ Pretax profit -7%

➤ Net profit -6%

- Lower than statutory tax rate due to ITA arising from Yard Optimisation programme

Income Statement RM m	2Q 2013	1Q 2013
Revenue	786.7	921.8
Offshore	715.1	866.6
Marine	71.6	55.3
Operating Profit	53.0	55.7
Offshore	35.8	36.8
Marine	15.6	12.7
Share Of (Loss)/Profit Of JCE	-0.4	1.1
Profit Before Taxation	52.7	56.8
Taxation	-4.8	-6.1
MI	0.3	0.0
Net Profit	47.6	50.6
EPS Per Share	3.0 sen	3.2 sen

Income Statement, YoY

► Revenue +5%

- OBU, contribution from newer projects, i.e. F14/F29, Damar and TLP Malikai
- MBU, lower revenue with completion of FSU Lekas in 2012

► Operating profit -21%

- OBU, Malikai project still in preliminary stage and higher cost at Tapis EOR project
- MBU, higher contribution from vessel repair projects

► Pretax profit -26%

► Net profit -27%

- Lower than statutory tax rate due to ITA arising from Yard Optimisation programme

Income Statement RM m	1H 2013	1H 2012
Revenue	1,708.5	1,631.0
Offshore	1,581.6	1,457.7
Marine	126.9	173.2
Operating Profit	108.7	137.8
Offshore	72.6	112.1
Marine	28.3	27.1
Share Of Profit Of JCE	0.7	9.5
Profit Before Taxation	109.4	147.3
Taxation	-10.9	-13.6
MI	0.4	0.0
Net Profit	98.1	133.6
EPS Per Share	6.1 sen	8.3 sen

Balance Sheet

➤ Total assets of RM5.1bn

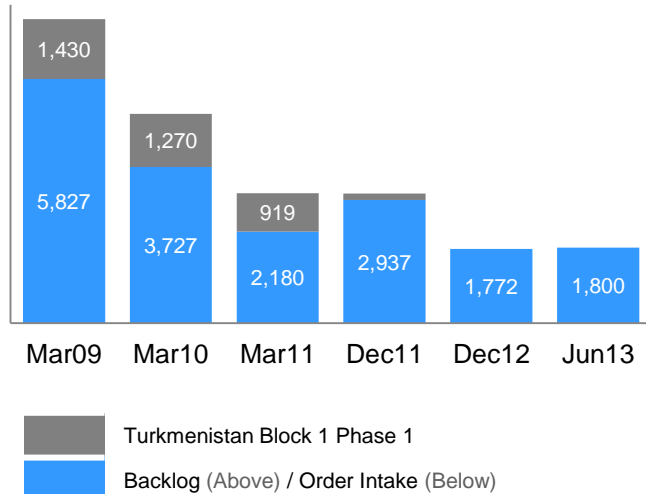
- Progress billings from ongoing projects contributed to receivables especially at OBU
- Lower cash balances
 - At OBU for more recently secured projects, due to timing differences between cost incurred by MHB against progress billing to clients
 - More working capital required
- Utilised revolving credit facility

➤ NTA per share of RM1.59

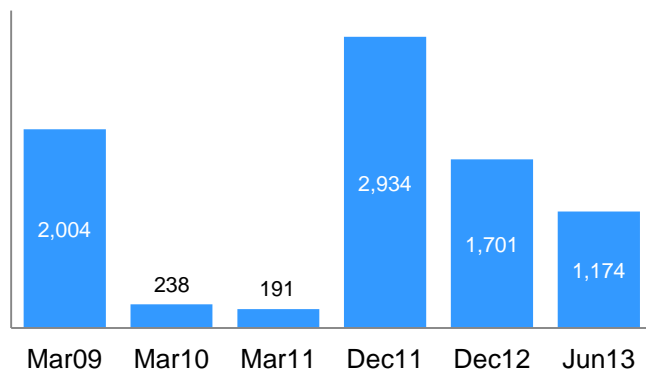
Balance Sheet RM m	Jun 2013	Dec 2012
Fixed Assets	1,839.6	1,800.9
Inventories	11.8	11.6
Receivables	2,458.3	2,114.4
Cash	802.9	890.3
Others	0.0	0.1
Total Assets	5,112.6	4,817.3
Shareholders' Funds	2,604.3	2,506.1
Payables	2,281.9	2,281.7
Others	226.4	29.5
Total	5,112.6	4,817.3
NTA Per Share	RM1.59	RM1.53

Order Intake & Backlog

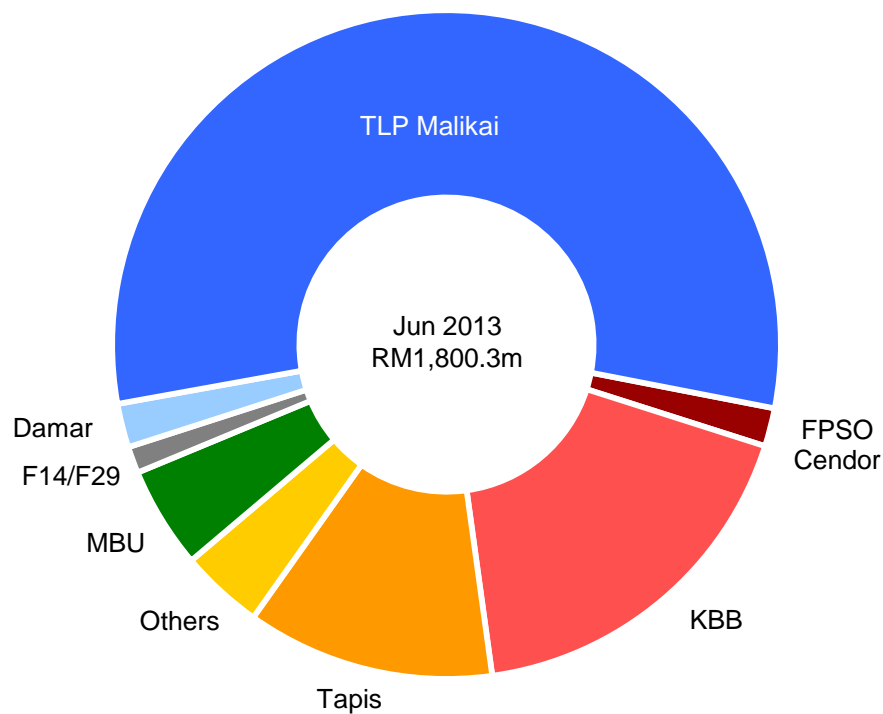
Backlog RM million



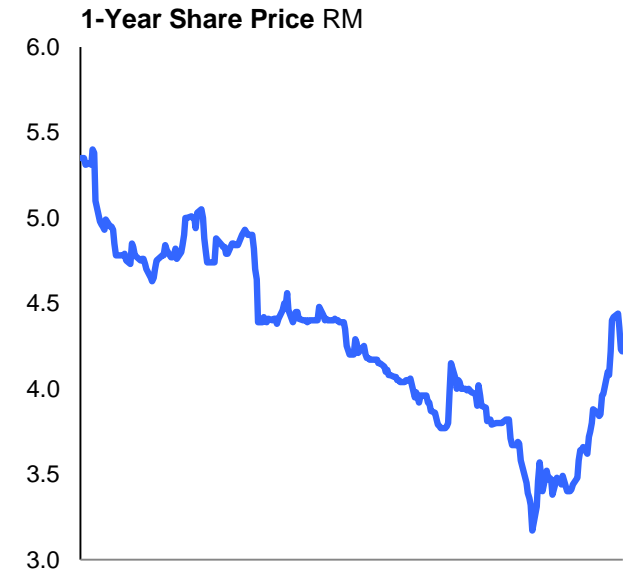
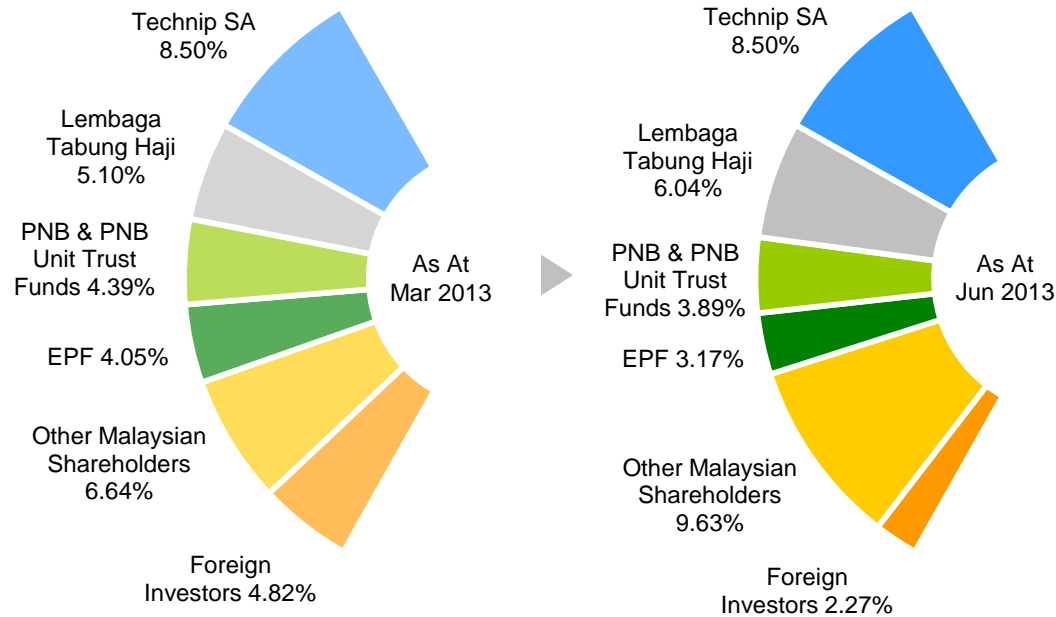
Order Intake RM million



Backlog RM million



Shareholding Information



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Energy Producer 6

Key Areas	Information
Client	MOPU Holdings (Singapore) Pte Ltd
Contract Type	Lump-sum and cost-plus
Work Scope	Refurbishment and conversion of MODU to a MOPU <ul style="list-style-type: none">• Steelwork• Helideck• Main engine• Living quarters• Deck cranes• Mud pumps removal and reinstallation• Installation of process equipment• Leg column repair
Project Duration	4 to 5 months
Manhours	178,000 manhours with no LTI
Project Progress	More than 56% completed



Refurbishment And Conversion To Energy Producer 6

MOPU KBM 1

Key Areas	Information
Client	MOPU Holdings (Singapore) Pte Ltd
Contract Type	Lump-sum and cost-plus
Work Scope	<p>Refurbishment and conversion of MODU (Hercules 259) to MOPU (KBM 1)</p> <ul style="list-style-type: none">• Steelwork• Helideck• Main engine• Hydro jetting• Testing and commissioning• Mud pumps removal• Installation of process equipment• Leg column repair
Project Duration	Approximately 4 months
Manhours	146,000 manhours with no LTI
Project Progress	More than 67% completed



Refurbishment And Conversion To MOPU KBM 1

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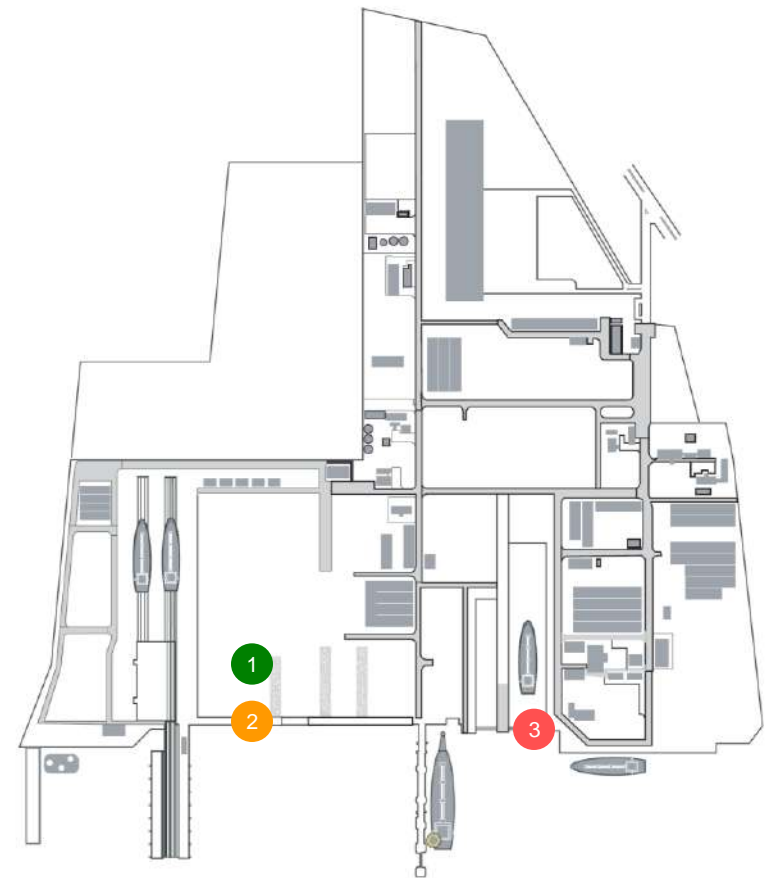
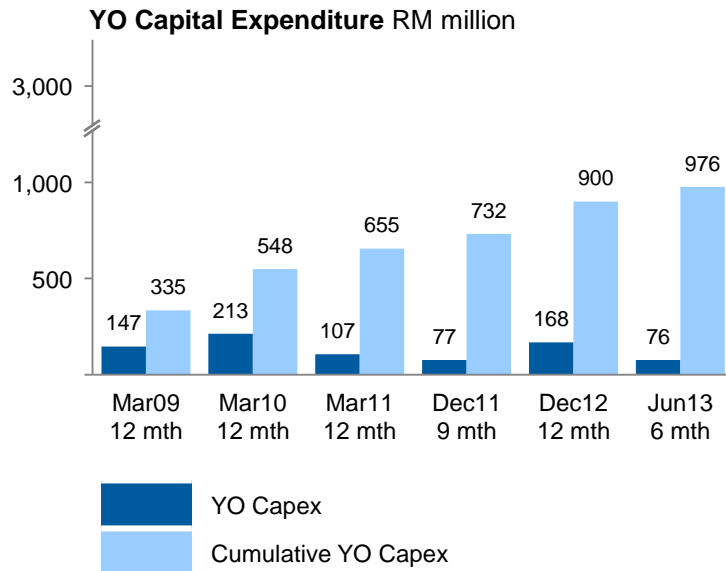
Transformation Of MHB

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Yard Optimisation Programme



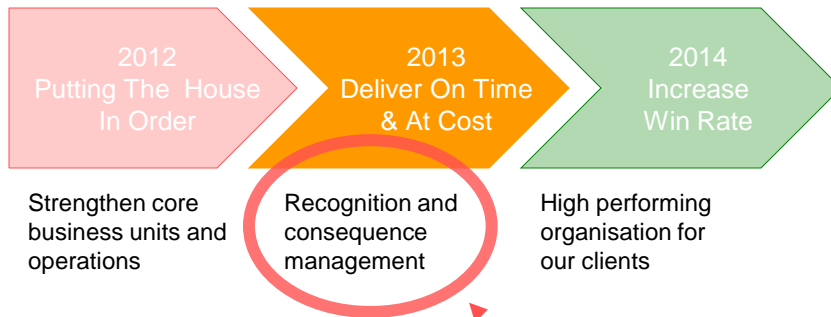
➤ MMHE West Yard

- ① Concrete skid beam
- ② 55,000MT bulkhead and quaywall
- ③ Fabrication of dock gate No.1

➤ MMHE East Yard

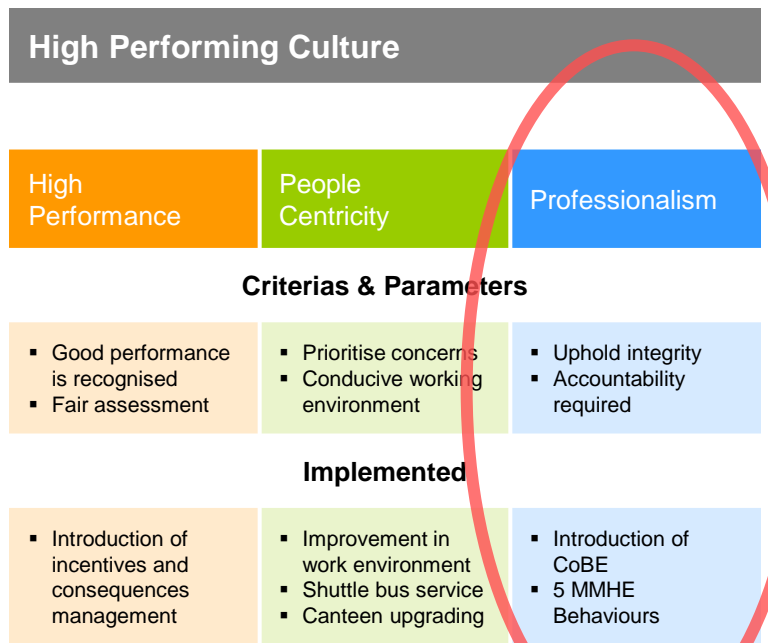
- 25,000MT bulkhead & east wharf extension

Changing Culture & Launching Initiatives

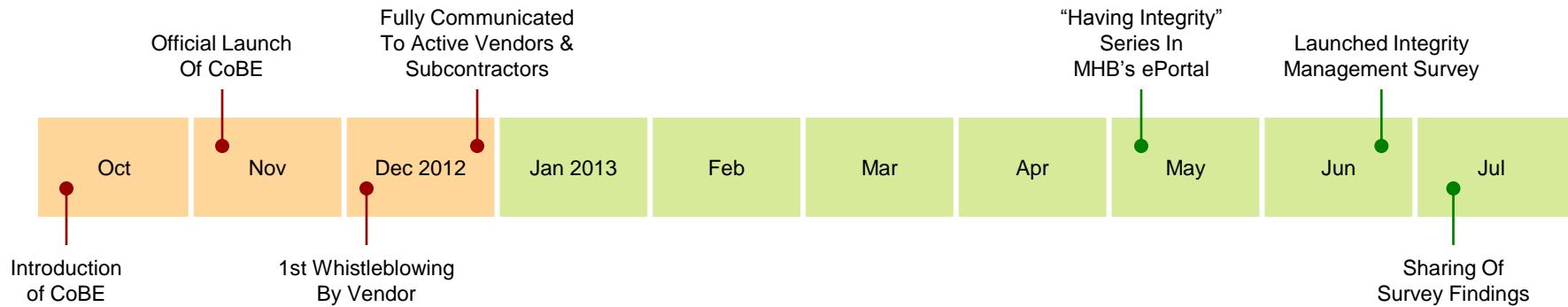


► Driving culture change

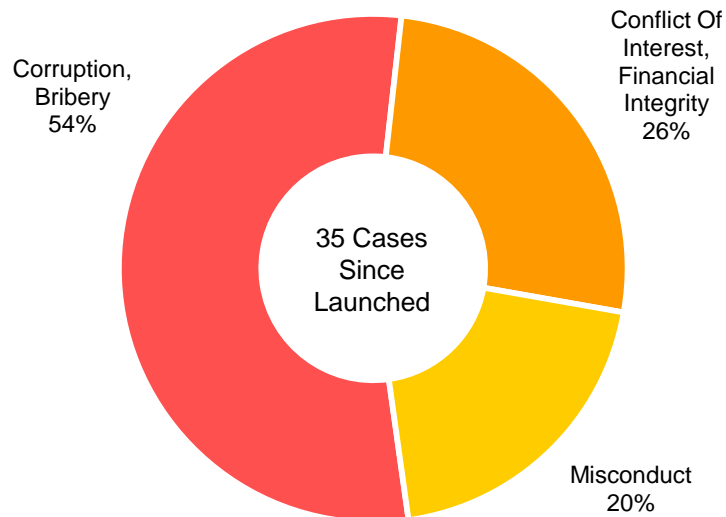
- Cultivating culture of recognition and consequence management
- Results-driven
- Upholds good values
- Re-moulds behaviours



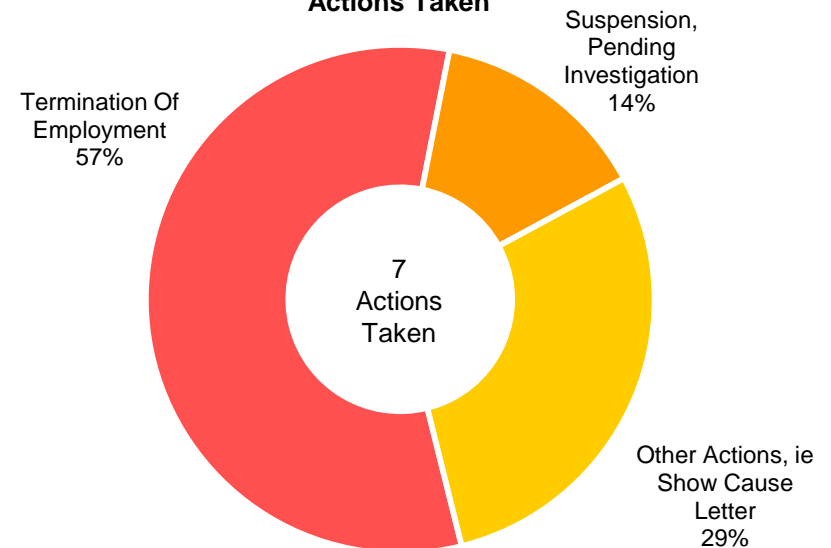
Integrity Management



Whistle Blowing Reports



Actions Taken



Thank You Terima Kasih



"Transformation for Success"

MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BERHAD
Level 31, Menara Dayabumi, Jalan Sultan Hishamuddin
50050, Kuala Lumpur, Malaysia

Investor Relations Contacts
Telephone: +60 (3) 2275 3876

Wan Mashitah Bte Wan Abdullah Sani
Chief Financial Officer
mashitah@mmhe.com.my

Chang Kong Meng
chang.km@mmhe.com.my

Website: <http://www.mhb.com.my/>
<http://www.mmhe.com.my/>