

MERMAID MARITIME PUBLIC COMPANY LIMITED (“MMPLC”)

Analyst Presentation

For the year that ended on 30 September 2008

20 November 2008





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Contents



- 🚢 Analysis of consolidated P&L statement
- 🚢 Segmental analysis
 - **Mermaid Drilling (MDL)**
 - **Mermaid Offshore Services (MOS)**
- 🚢 Financial ratios and debt repayment schedule
- 🚢 Analysis of consolidated balance sheet

Analysis of consolidated P&L statement





Consolidated P&L statements

For the years ended on 30 September 2008 and 2007



	2008	2007	Increase (decrease) between 2008 vs 2007		Ref.
			Baht'000	Baht'000	
Service income and sales	5,285,443	4,131,273	1,154,170	27.9	A
Cost of services and sales	(3,686,546)	(2,814,670)	871,876	31.0	B
Gross profit from sales and services	1,598,897	1,316,603	282,294	21.4	
Service and administrative expenses	(731,561)	(729,968)	1,593	0.2	C
Interest income	37,975	11,053	26,922	243.6	D
Gain/(loss) on exchange rates	159,750	114,493	45,257	39.5	E
Net gain /(loss) on write off equipment	(5,855)	(10,198)	(4,343)	(42.6)	F
Other income	102,751	25,384	77,367	304.8	G
Operating profit	1,161,957	727,367	434,590	59.7	



Consolidated P&L statements

For the years ended on 30 September 2008 and 2007



	2008	2007	Increase (decrease) between 2008 vs 2007		Ref.
			Baht'000	Baht'000	
Share of profit from an associate	32,132	-	32,132	N/A	H
Profit before interest expense and income taxes	1,194,089	727,367	466,722	64.2	
Interest expenses	(123,994)	(175,263)	(51,269)	(29.3)	I
Profit before income taxes	1,070,095	552,104	517,991	93.8	
Income taxes	91,962	(18,817)	110,779	588.7	J
Net profit for the period	1,162,057	533,287	628,770	117.9	
Depreciation and amortisation	561,255	498,872	62,383	12.5	
EBITDA (Including FX Impact)	1,755,344	1,226,329	529,015	43.1	
EBITDA (Excluding FX Impact)	1,595,594	1,111,746	483,848	43.5	



Analysis of P&L statement: 2008 vs 2007



A	<p>Increased significantly as results of: MOS revenue increase by Baht 1,060 million partly due to the fleet addition with two vessels, (Binh Minh and Mermaid Sovereign), further supported by high overall utilisation (86%).</p> <p>There was insignificant change in drilling revenue as MTR2 was off-hire for approximately 7 months.</p>
B	<p>Increased mainly from MOS cost relating to the increase of its revenue and Drilling's personnel costs brought in line with market.</p>
C	<p>Insignificant change. In fact, 2007 administrative expenses were unusual from one time expense relating to MTR-1's fire incident in Q4/07 while 2008 administrative expenses included crew and non-operating costs when MTR-1 and MTR-2 were off-hire and Mermaid Commander was dry-docked.</p>
D	<p>Increased mainly from the loan to an associated company, Worldclass Inspiration Sdn. Bhd. ("WCI"), of Baht 13 million and from deposit of IPO proceeds of Baht 17 million.</p>
E	<p>Gain on exchange rate increased significantly due mainly to strengthening of SGD vs THB. (22.74 @ 30/9/07 to 23.61 @ 30/9/08)</p>
F	<p>Loss (Baht 3.8 million) on write-off of equipment in 2008 was mainly from refurbishment of MTR2.</p> <p>Loss on write-off of equipment in 2007 was mainly from a loss on asset written-off in MTR1 of Baht 24.6 million from fire incident offset with a gain on asset disposal in DTOL of Baht 12.3 million.</p>
G	<p>Increased significantly due to one time insurance claim of Baht 95 million in 2008 from MTR1's fire incident as compared with an insurance claim of Baht 13 million in 2007 from MTR1's crane boom incident.</p>
H	<p>Share of profit from an associate, WCI, due to the first-year investment in the associate company.</p>
I	<p>Decreased relative to loan repayment schedule.</p>
J	<p>Positive amount of income tax derived from deferred tax assets recognition from MTR2's loss incurred in this year.</p>

Segmental analysis





MTR-1 maintains excellent operational efficiency



MTR-1 :

- Utilization was 99.9% for 4th quarter and was 96.9% overall for the FY2008.
- Current drilling contract now expected to be completed in Q3 FY2009.
- Day rate will re-price at end of current drilling contract.



MTR-2 resumed excellent operational efficiency



MTR-2 :

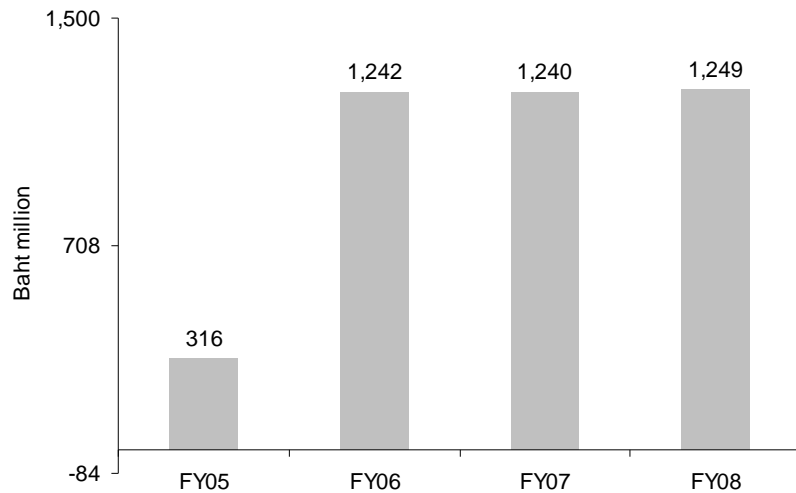
- Special periodic survey, refurbishment and upgrade completed in early Q3 FY 2008.
- Utilization was 99.9% for 4th quarter and was 48% overall for FY2008 due to the above.
- Current drilling contract scheduled to be completed in Q3 FY2010.



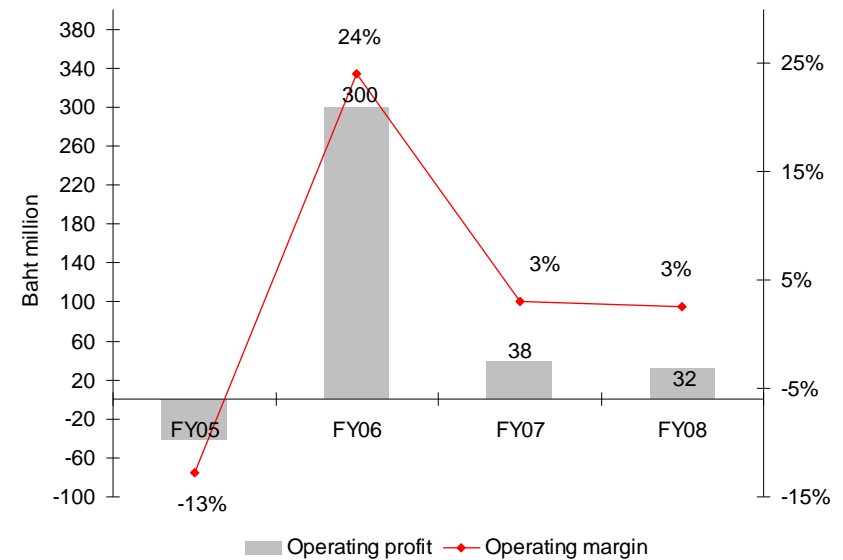
Drilling financial performance recovering...



Sales



Operating profit and margin (Excl. Forex)



**Year 2008 included insurance claim of Baht 95 million

Mermaid Drilling



KM-1 newbuild secures long term contract



KM-1 :

- Signed contract for construction of newbuild tender rig KM-1 on Q1 FY2008.
- Construction of KM-1 on schedule. Financing secured. Delivery scheduled for Q1 FY2010.
- KM-1 secures 5 year drilling contract award with potential value of approximately USD 235 million. Options allow extensions for up to another 5 years for additional revenue.



Drilling business progressing forward



Overall developments :

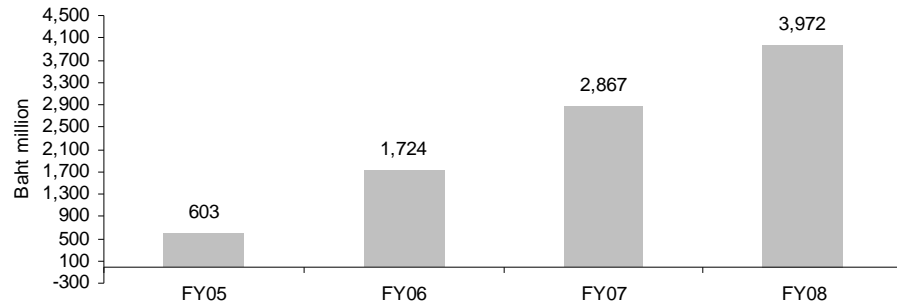
- New Drilling Manager and team in place.
- MTR-1 scheduled to re-price in Q3 FY2009.
- KM-1 scheduled to start contract in Q1 FY2010.
- MTR-2 scheduled to re-price in Q3 FY2010.
- Operator planned activity still identifies long term tender rig shortfall.



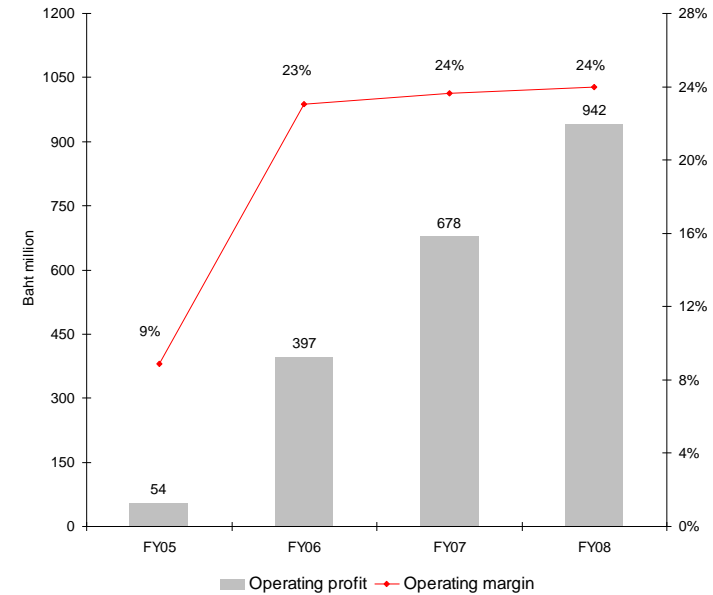
Mermaid Offshore continued its excellent performance in 2008...



Sales



Operating profit and margin (Excl. Forex)



Mermaid Offshore



...with continued operational excellence driven by strong client demand for specialized vessels...



Overall Development :

- Maintained high utilization of specialized vessels throughout the FY2008.
- Operational standards, exemplary safety record and quality of performance ensures repeat business.
- Newbuild Offshore Support Vessel delivered in Q3 FY2008.
- CUEL contract awarded with potential term of up to 5 years and potential total value of up to USD 200 million.



...and strategic expansion plans implemented.



Overall Development (cont'd) :

- Geographical expansion into China, India and Sakhalin.
- MOS associate AME in Malaysia takes delivery of newbuild DP2 vessel.
- MOS subsidiary Seascope (hydrographic survey company) successfully integrated.
- Newbuild DP2 DSV scheduled for delivery in Q4 FY2009.
- Newbuild DP2 ROV scheduled for delivery in Q1 FY2010.

Financial Ratios and Debt Repayment Schedule





Selected financial ratios



	2008	2007
Average receivable turnover (days)	84	84
Average payable turnover (days)	32	34
Debt to equity ratio (Times)	0.20	0.83
Net asset value per share* (Baht)	17.87	7.55
Debt to EBITDA (Times)	0.83	1.95

* using outstanding issued shares at end of period

Retaining financial flexibility to fund future opportunities



Debt repayment schedule



As at 30 September 2008, total outstanding long-term debt was equivalent to USD 56,720,286.

Due to repay in years (USD)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Repayment Amount	12,189,253	12,289,253	11,385,014	9,828,766	5,734,000	4,954,000	340,000

88% of total debt denominated in USD

Analysis of consolidated balance sheet





Consolidated balance sheets as at 30 September 2008 and 2007



Assets	2008 Baht'000	2007 Baht'000	Increase (Decrease)		Ref.
			Baht'000	%	
Cash & Deposits	1,726,430	511,700	1,214,730	237.4	I
Trade Debtors	1,461,783	966,140	495,643	51.3	II
Related Debtors	152	260	(108)	(41.5)	
Spare Parts and Inventories	147,515	113,581	33,934	29.9	III
Short-term loan to related party	1,147,989	-	1,147,989	100.0	IV
Other Current Assets	372,364	226,981	145,383	64.1	V
Other L-T Assets	814,151	105,409	708,742	672.4	VI
Fixed Assets and Intangible assets	7,509,218	4,021,659	3,487,559	86.7	VII
Total Assets	13,179,602	5,945,730	7,233,872	121.7	



Consolidated balance sheets as at 30 September 2008 and 2007



Liabilities	2008 Baht'000	2007 Baht'000	Change		Ref.
			Baht'000	%	
Trade Creditors	327,150	353,796	(26,646)	(7.5)	VIII
Related Creditors	-	46,778	(46,778)	(100)	
S-T Debt	-	221,852	(221,852)	(100)	
Current Portion: L-T Borrowings	421,157	412,255	8,902	2.2	IX
Other Current Liabilities	1,224,140	234,097	990,043	422.9	X
Other Non-Current liabilities	5,373	3,359	2,014	60.0	XI
L-T Borrowings	1,527,840	1,778,559	(250,719)	(14.1)	IX
Total Liabilities	3,505,660	3,050,696	454,964	14.9	



Consolidated balance sheets as at 30 September 2008 and 2007



Equity	2008 Baht'000	2007 Baht'000	Change		Ref.
			Baht'000	%	
Share Capital & Share premium	7,011,996	1,609,557	5,402,439	335.6	XII
Reserves	39,717	5,720	33,997	594.4	XIII
Shareholders Funds	2,261,511	1,139,217	1,122,294	98.5	XIV
Difference of translation adjustment	(24,536)	496	(25,032)	(5,046.8)	
Minorities	385,254	140,044	245,210	175.1	XV
Total Equity	9,673,942	2,895,034	6,778,908	234.2	
Total Liabilities + Equity	13,179,602	5,945,730	7,233,872	121.7	



Analysis of consolidated balance sheet between 30 September 2008 and 2007 ...



I	Increased due mainly to the remaining IPO proceeds and cash generated from operations.
II	Increased due to: MTR-1 and MTR-2 were off-hired in Q4/07 resulting in no outstanding accounts receivable as at 30/9/07 whilst the MTR-1 and MTR-2 have fully operated in Q4/08.
III	Increased due to purchase of necessary spare part stock for two new vessels, Binh Minh and Mermaid Sovereign.
IV	Short-term loan to an associate, WCI of Baht 30.8 million (in MYR) carrying an interest at the rate of Libor plus 3.5% per annum and of Baht 1,117.1 million (in SGD) carrying an interest at the rate of 8.5% per annum. The loans are unsecured and repayable at call. The loans are in MYR and SGD currencies and changed from exchange rate translation using exchange rate at the year end.
V	Increased mainly due to advance to suppliers of Baht 134 million for purchase of equipment.
VI	Increased from: goodwill of Baht 181 million from acquisition of Seascope Group in the year, investments in associated companies of Baht 405 million (equity method) and deferred tax assets of Baht 154 million offset with a decrease in deposit for purchase of assets of Baht 31 million.
VII	Increased due to: Installment cost of KM-1 newbuild tender rig, refurbishment cost of MTR-2, additional equipment of MTR-1, MOS's vessels and ROV, and Seascope Group's assets, offset with the depreciation in 2008.
VIII	Increased mainly from MTR2 returning to operations and first time consolidation of Seascope Group.
IX	Net decreased mainly from loan repayment based on schedule and devalue from USD weakening from 34.39 @ 30/9/07 to 34.18 @ 30/9/08.
X	Increased mainly from outstanding non-trade payable from newbuild tender rig, KM-1, of Baht 924 million (accrued for installment dues).
XI	Increased mainly from first time consolidation of Seascope Group in this year.
XII	Increased due to IPO process.
XIII	Increased due to the appropriation of 5% of the company's net profit for year 2008 and 2007 required by Thai law.
XIV	Increased due to the net profit of year 2008.
XV	Increased due to the minority investments for MKR-1 of 25% and in Seascope Thailand of 20% of Baht 319 million and Baht 19 million, respectively, offset with the liquidation of DTOL of Baht 91 million.

End

