



Mermaid Maritime Plc

Credit Suisse Oil & Gas Conference

Tuesday, 31 January 2012

Ritz Carlton, Singapore



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Agenda



- 1. Introduction**
- 2. Subsea Business Overview**
- 3. Drilling Business Overview**
- 4. Asia Offshore Drilling Overview**
- 5. Financial Overview**
- 6. Questions & Answers**



1. Introduction

Overview of Mermaid Maritime Plc



29

Years since Mermaid Maritime's establishment



5

regions in which Mermaid operates



500

skilled workers, crews, technicians, service providers & management

SUBSEA BUSINESS



8

subsea vessels



4

saturation diving systems



12

remotely operated vehicles



DRILLING BUSINESS

2

tender drilling rigs



3

high-spec jack-ups*



** 33.75% ownership through Asia Offshore Drilling Limited*

Subsea inspection, repair and maintenance

Subsea Infrastructure installation support

Subsea remotely operated vehicle support

Subsea emergency callout service

Subsea salvage

Accommodation rig services

Offshore drilling and workover services

Two Key Businesses to Balance Earnings



SUBSEA BUSINESS

- Short to mid-term contracts
- Existing & new subsea infrastructure driven coupled with deeper exploration



DRILLING BUSINESS

- Typically long-term contracts
- Additional and enhanced production



Key Milestones



1983

Established in Thailand

2005

Expanded subsea business and purchased 'Mermaid Responder' and 'Mermaid Commander'. Incorporated Mermaid Drilling Ltd. and commenced offshore drilling services with purchase of tender rigs 'MTR-1' and 'MTR-2'.

2007

Converted to a public company and listed on the Singapore Stock Exchange. IPO raised ~SGD 218 million. Ordered newbuild 'Mermaid Sapphire'.

2008

Acquired Seascope Surveys for access to hydrographic and positioning services. Took delivery of 'Mermaid Challenger'. Acquired 20% of 'Mermaid Asiana' under construction.

2009

Acquired 'Mermaid Endurer' under construction. Took delivery of 'Mermaid Sapphire' and purchased remaining 80% of 'Mermaid Asiana' under construction. Raised ~SGD 156 million from rights issue.

2010

Acquired Subtech to expand subsea services in the Middle East and Persian Gulf.

Disposed 'Mermaid Responder', purchased 'Mermaid Siam' and took delivery of 'Mermaid Endurer' and 'Mermaid Asiana' bringing total subsea fleet to 8 vessels.

Acquired 49% equity stake in Asia Offshore Drilling with two high specification jack-ups under construction with Keppel FELS, bring the total potential drilling fleet investment to 4 rigs.

2011

Participated in 2nd round of fund raising, acquired an equal 33.75% stake in AOD with Seadrill Limited.

AOD ordered 3rd high specification jack-up bringing total number of rigs to 3. AOD successfully listed in Oslo Bors ASA during the year. Mermaid 'Endurer' and 'Asiana' commences maiden contract work in North Sea and Asia Pacific regions respectively.

MTR-2 renews drilling contract with Chevron Indonesia whilst achieving 2 million no lost time accident. Mermaid Commander achieved 10 years operations without lost-time injury.



2. Subsea Business Overview

Subsea Services Overview

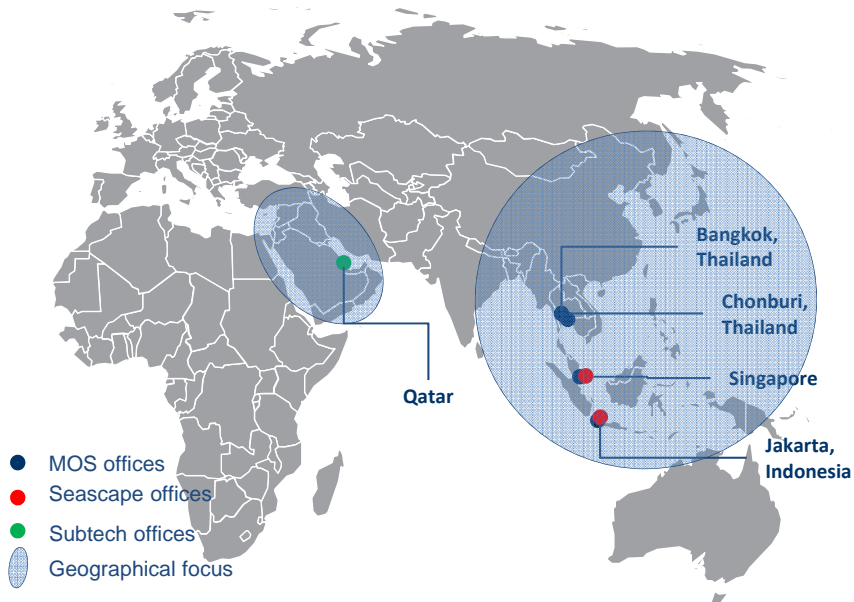


Overview

- Mermaid Offshore Services (“MOS”) provides subsea engineering services including surveying, inspection, repair and maintenance (IRM), light construction and ROV/diver support, to the offshore oil and gas industry
 - 488 employees & subcontractors operating in Southeast Asia and the Middle East
 - Current contract backlog exceeds USD 100 million

Geography

- Defensible positions in Gulf of Thailand, Middle East through subsidiaries Subtech and Seascope



Fleet



8 subsea vessels



14 ROVs



4 saturation diving systems

Vessel name	Type	Year built	Past selected clients
Mermaid Commander	DNV Classed DP2 DSV	1987	Shell Brunei, CUEL, Global
Mermaid Endurer	DNV Classed DP2 DSV	2010	ISS, Bibby, Micoperi
Mermaid Asiana	ABS Classed DP2 DSV	2010	PT Timas, CSOTL, COOEC, CACT
Mermaid Siam	DNV Classed DP2 Construction Support Barge	2002	Total, Maersk, NPCC, Acergy, Occidental Petroleum
Mermaid Sapphire	ABS Classed DP2 ROV & Air Diving Support Vessel	2009	CUEL, PTTEP, SEIC
Mermaid Challenger	DNV Classed DP1 Anchor-handling Vessel	2008	EMAS, Mermaid Drilling, KNOC
Mermaid Performer	DNV Class Utility Vessel	1982	CUEL, Moddec, and Chevron
SS Barakuda	Utility / Survey Vessel	1982	ConocoPhillips

Key Clients



Strong diving & ROV capabilities



Proven track record in diving services

- MOS owns and operates three DP2 DSVs, one DP2 construction barge fitted with a saturation diving system and a pool of 14 ROVs
- MOS has IMCA compliant diving capabilities
- MOS owns dive training facilities with a pool and equipment
- Provided diving services to reputable companies:



Access to high quality pool of divers

- MOS has access to extensive database of skilled multi disciplined professional divers
- MOS' s established safety record and working relationship with divers have earned them ready access to this niche pool of skilled divers

Historical operations

- Air and saturation dive systems, ROV systems employed for
 - Subsea tie-ins and riser installations
 - Debris removal and pipeline abandonment
 - Pipeline inspection and repair
 - SBM installation, support correction
 - FPSO UWILD inspection - hull, moorings, subsea hose assemblies, blanking sea chests
 - Platform inspection
 - Offshore construction support
 - Platform repairs using wet welding techniques and habitat welding
 - Pipeline inspection



Incumbent position in key geographies

- MOS has a strong foothold in its key markets – Thailand, Indonesia, and the Middle East
- MOS can leverage on its strong presence in these three markets to win repeat business with key clients, while continuing to expanding its geographical footprint in existing markets like China, and new markets like Brazil and India

Thailand: MOS' s headquarters and logistics base	Indonesia: Via subsidiary Seascope	Middle East: Via subsidiary Subtech
<ul style="list-style-type: none">• 28 years of market presence in Thailand• The logistics base in Chonburi, being in close proximity to several deep water ports, facilitates efficient mobilization of personnel and equipment• MOS has IMCA compliant diving capabilities, and was awarded the ISO9001:2008 quality management systems certification• Key clients: Chevron Thailand and CUEL, NPCC, PTTEP, and Romona	<ul style="list-style-type: none">• Seascope primarily provides hydrographic survey and positioning services in South-East Asia• Contractor Member of the International Marine Contractor Association (IMCA)• Seascope has a strong network in Indonesia, with most of its projects located in various parts of Indonesia• Key clients: ConocoPhillips Indonesia, Chevron Indonesia, PT Hallin Indonesia, and PT Timas Suplindo	<ul style="list-style-type: none">• Subtech (Qatar) is an IMCA member and ISO 9002 approved diving and subsea contractor in Qatar• Subtech is the only locally incorporated diving contractor with a proven track record, allowing MOS to successfully penetrate into the Middle East market• Key clients: Qatar Petroleum, Exxon-Mobil, Occidental, McDermott, Maersk Oil Qatar, and NPCC• Strong local business knowledge

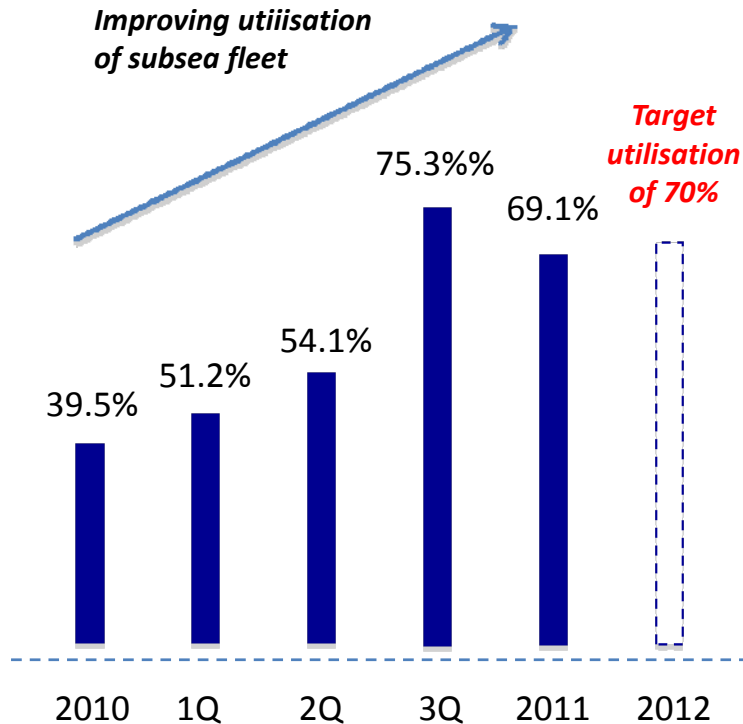
Subsea Key Highlights



- Subsea achieved asset utilisation of 69.1% in 2011 versus 39.5% in 2010. Average day rates increased by 11.7% in US Dollars and 3.0% in Thai Baht
- Mermaid Commander completed her biggest diving programme for Chevron / CUEL with the Mermaid Commander receiving a special award having achieved 10 years of marine operations without a single lost time incident
- Mermaid Endurer continued to build a reputation for herself providing construction support in the Mediterranean with Subtech. The vessel has now secured her first contract in West Africa to provide IRM Diving services. Contract duration is 120 days worth USD 11.5 million excluding optional work
- Mermaid Asiana completed 8 ½ months continuous diving programme in China
- Mermaid Siam received special award from Total following a very successful pipeline remedial campaign for Total in Qatar.
- MOS opened its new office in Singapore in September 2011 to support its international vessel fleet in SEA.



Subsea Tender Update – 4Q2011



- *Fleet utilisation for **4Q2011** shows an increase of 15% over same period in 2010 with improvements for Endurer, Asiana, Sapphire and Challenger.*
- **Major contracts won include:**
 - a. Mermaid Endurer secured WA work for 120- 180 days mobilising December
 - b. Mermaid Performer has secured 170 days work in Thailand for 2012
 - c. Mermaid Sapphire looks likely to close out contracts providing work through to end August 2012
 - d. Mermaid Commander secures short diving work in December 2011

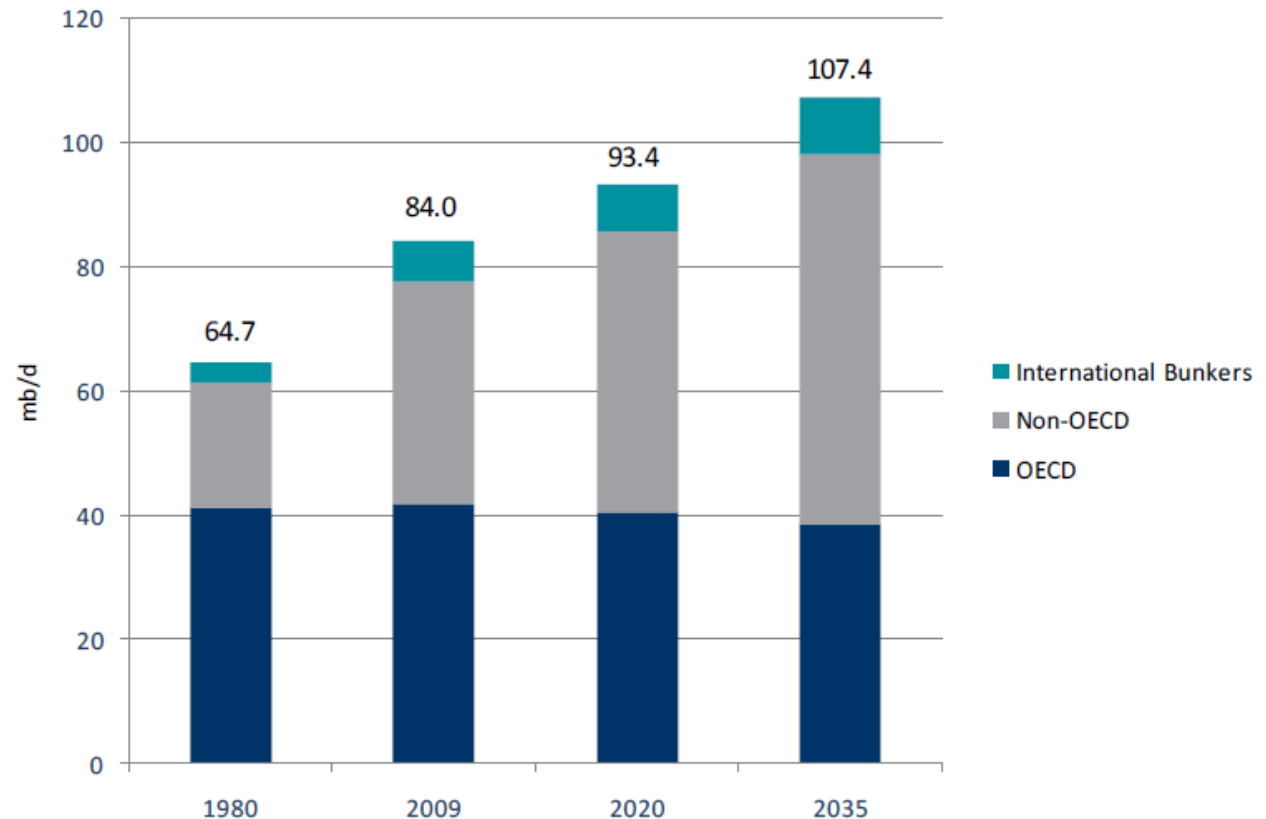
Utilization for subsea fleet for 1Q2012 is expected to continue to improve in line with expectations.



Global oil demand is increasing

- Oil demand is projected to grow by 1% per year on average
- All the growth is expected to come from non-OECD countries
- The transport sector accounts for the majority of the increase in oil use
- As conventional oil production in non OPEC countries is expected to peak soon, most of the increase in output would need to come from OPEC countries, which hold the bulk of remaining recoverable conventional oil resources

Global oil demand



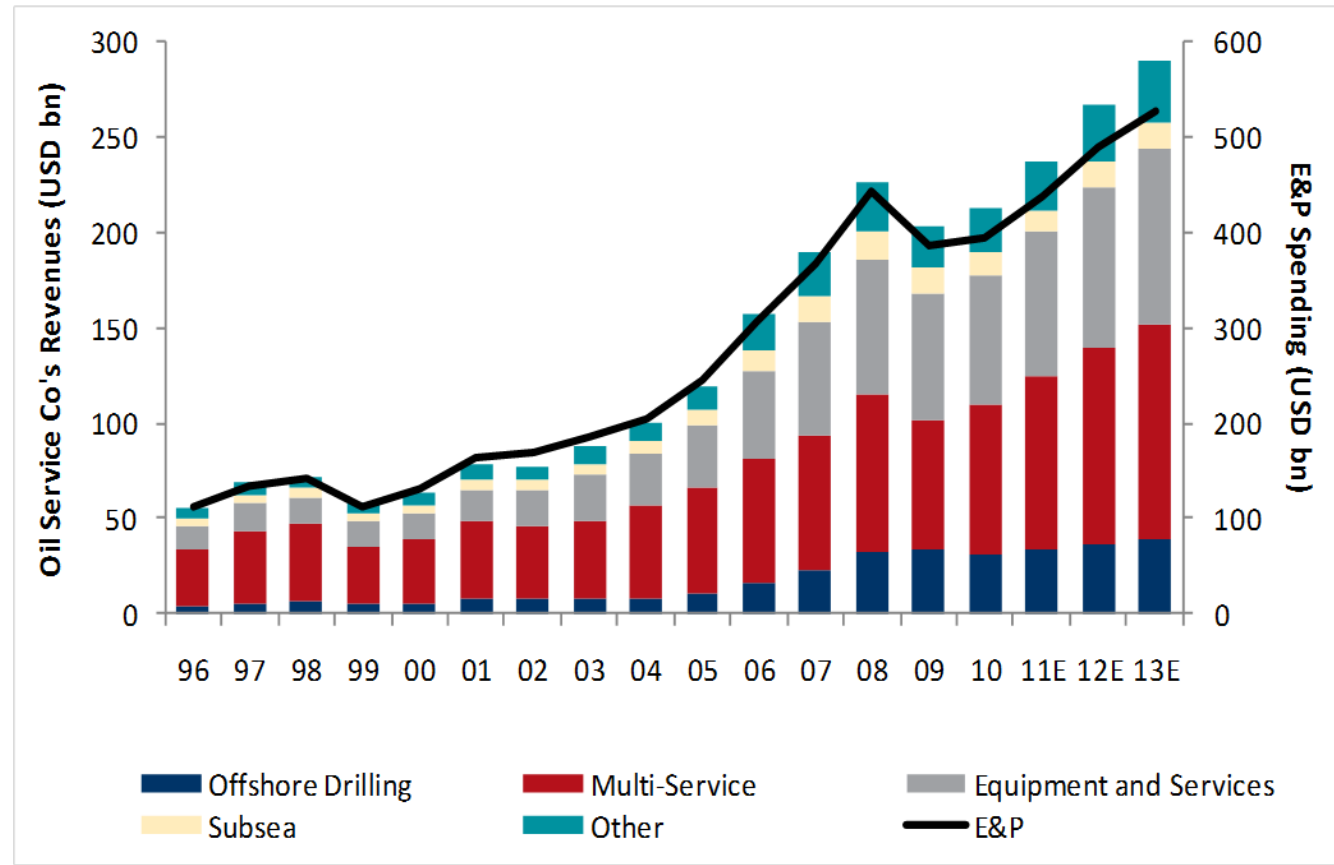
Source: Reference Scenario, World Energy Outlook 2010, International Energy Agency

Increased E&P spending driven by higher oil prices



- Strong growth in E&P spending expected the next few years
- 2008 level of E&P spending is expected to be surpassed in 2011
- Projects postponed as a consequence of the financial turmoil, has accumulated demand
- A continued price level above USD 100 per barrel is expected to be a catalyst to E&P spending

Oil service companies' revenues and E&P spending



Source: Reuters, RS Platou



Markets Outlook – Strong Demand

Subsea construction market

Subsea tree awards

- Successful drilling of commercial discoveries will eventually lead to field development tendering
- Awards of subsea tree is a proxy of FD activity
- Increased level of subsea tree awards expected

IMR

- Installed base of subsea trees grows substantially
- Will require significant ongoing IMR work
- Expected to have a growth rate of more than 10% between 2010 and 2015

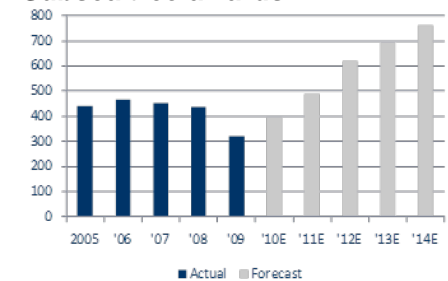
Pipelaying activity

- A field development will involve demand for pipeline installation

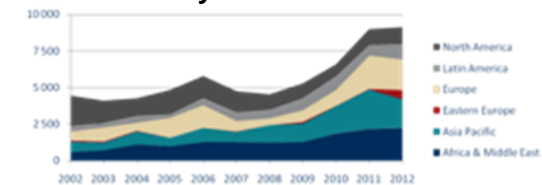
Decommissioning

- Fields ready for decommissioning is increasing in mature regions, but due to high oil prices the decommissioning has been delayed

Subsea tree awards



SURF activity

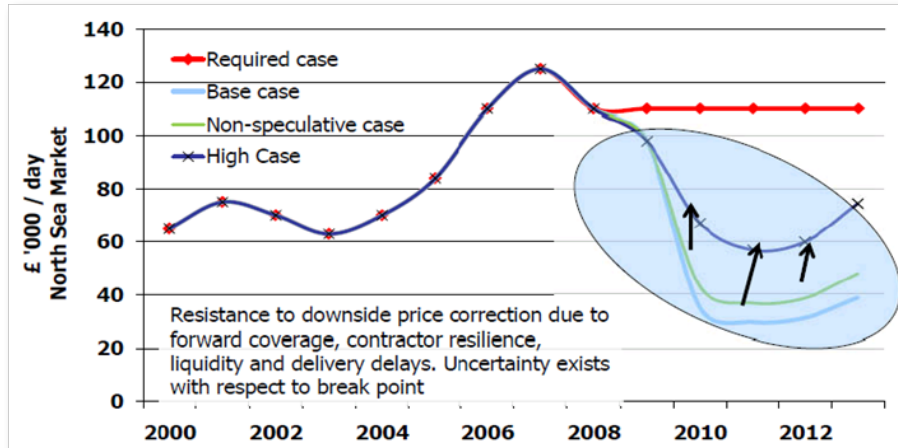


Strong demand for subsea construction operations expected



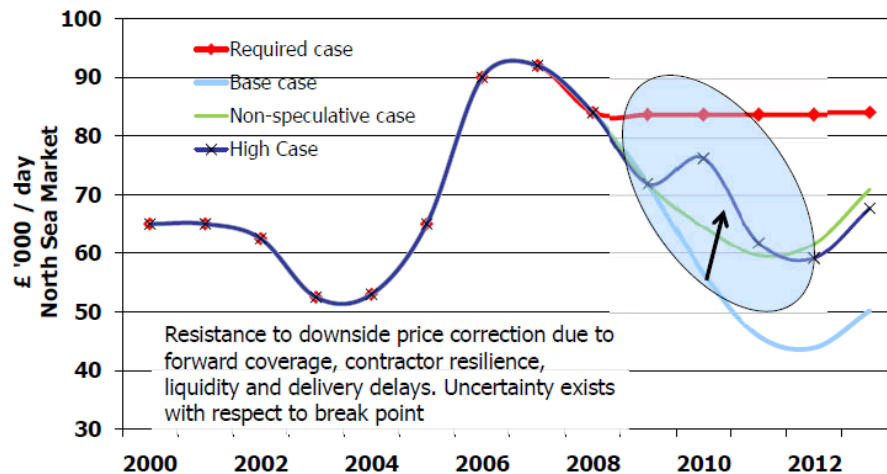
Charter Rates Outlook

DSV rates in 4 scenarios



- Rates weakened further in 2009 although this was supported by forward coverage & commitments
- Increasing utilization becomes more important than high rates to maintain cash flow

LAYSV rates in 4 scenarios

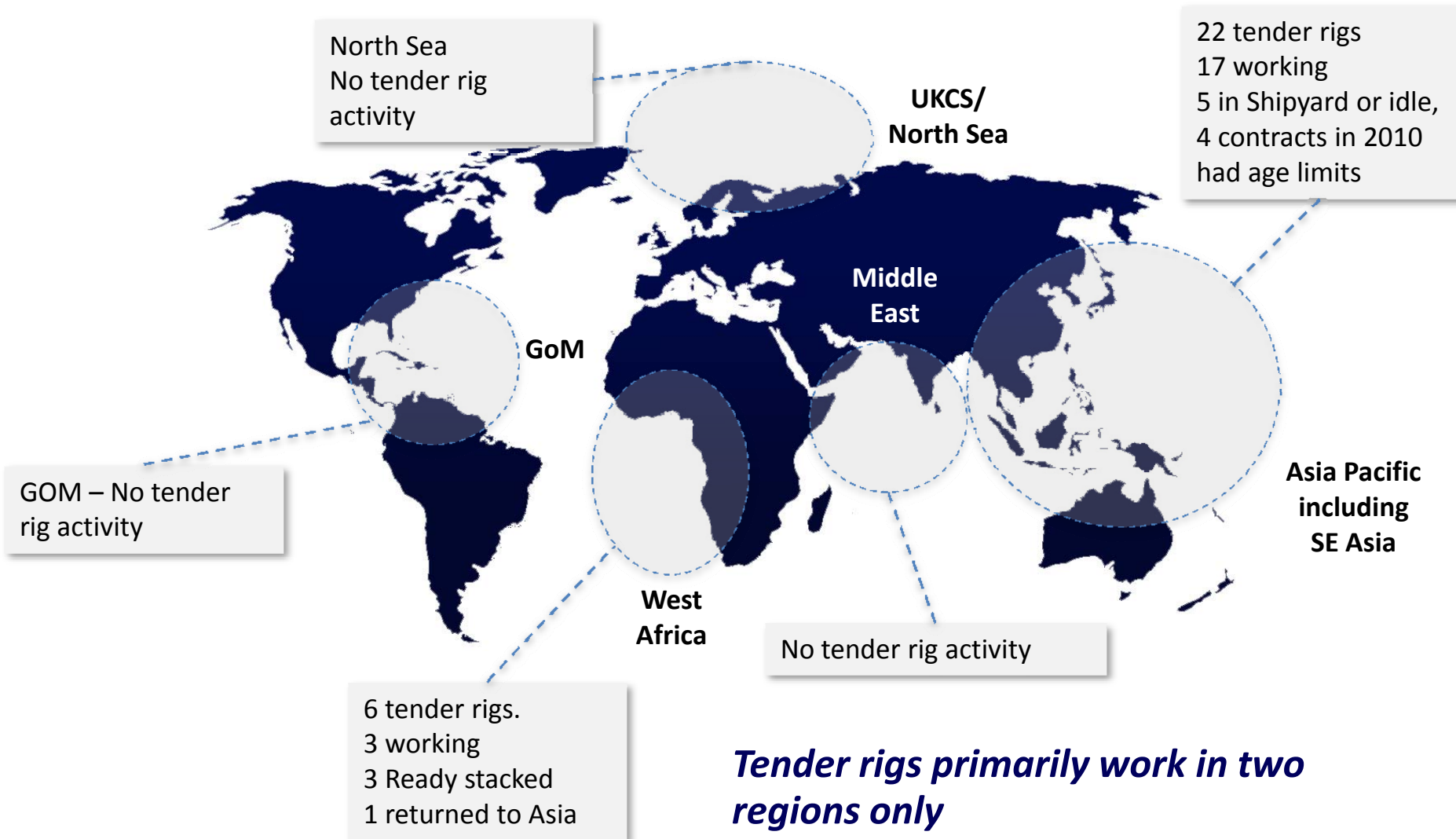


- A 30% increase in demand is required to lift rates to previous peak levels though in the medium term, there will continue to be weakening of rates



3. Drilling Business Overview

Tender Market



Drilling Operations Key Highlights



MTR-1



Location: Thailand

Status: Waiting next contract award

Client: NA



MTR-2



Location: Indonesia

Status: Active in drilling operations

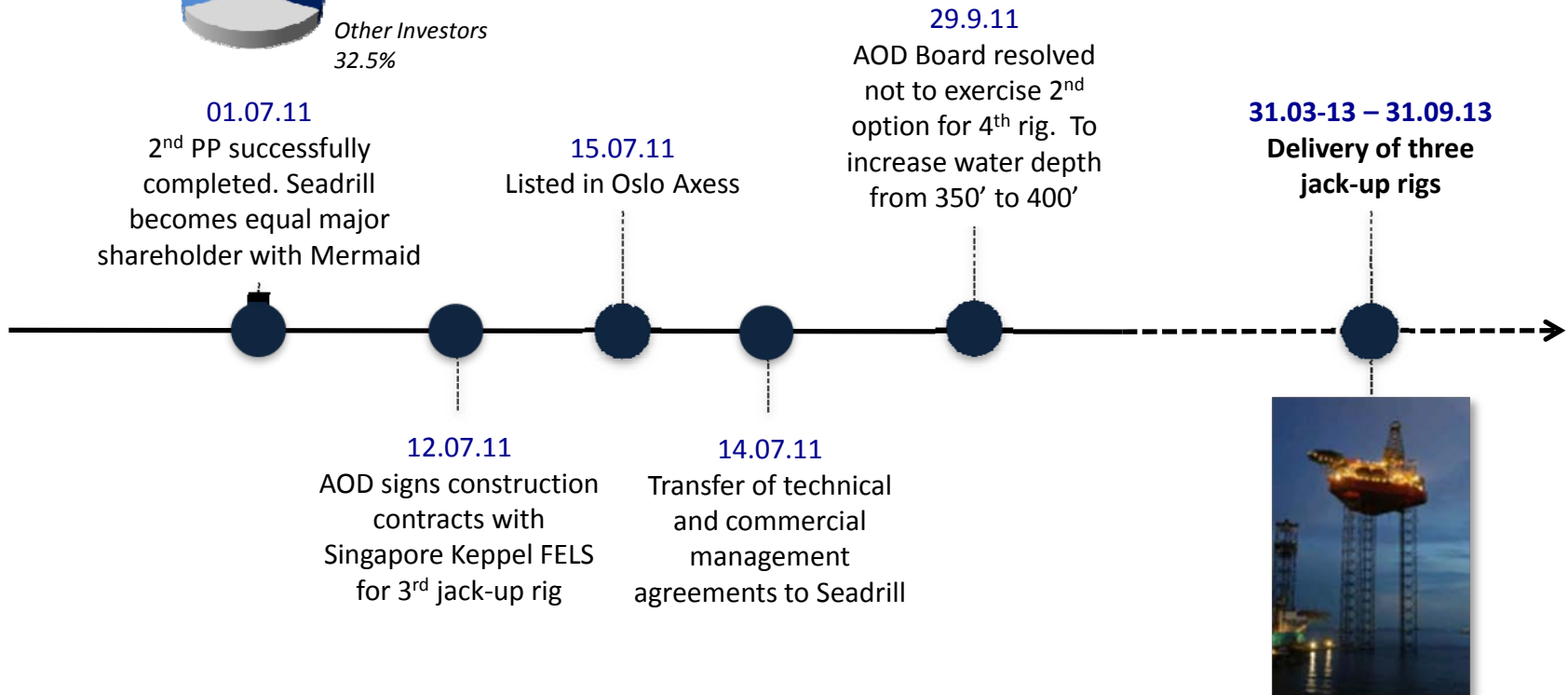
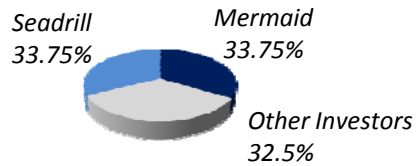
Client: Chevron Indonesia

- *MTR-1: An international oil & gas company operating in Indonesia have currently accepted MTR-1 as an accommodation / work over support barge for 150 day charter at a potential contract value of \$5 mil currently awaiting BP Migas approval*
- *MTR-2: Previous contract for MTR-2 ended at the end of March 2011, and she is working on a new 9-months contract for 270 days worth USD 26.5 million in Indonesia ending in April 2012*
- *MDL continues to enjoy outstanding safety performance which will serve as strong reference for future tenders, recently achieved 2-year operations with no loss-time accident in Indonesia*



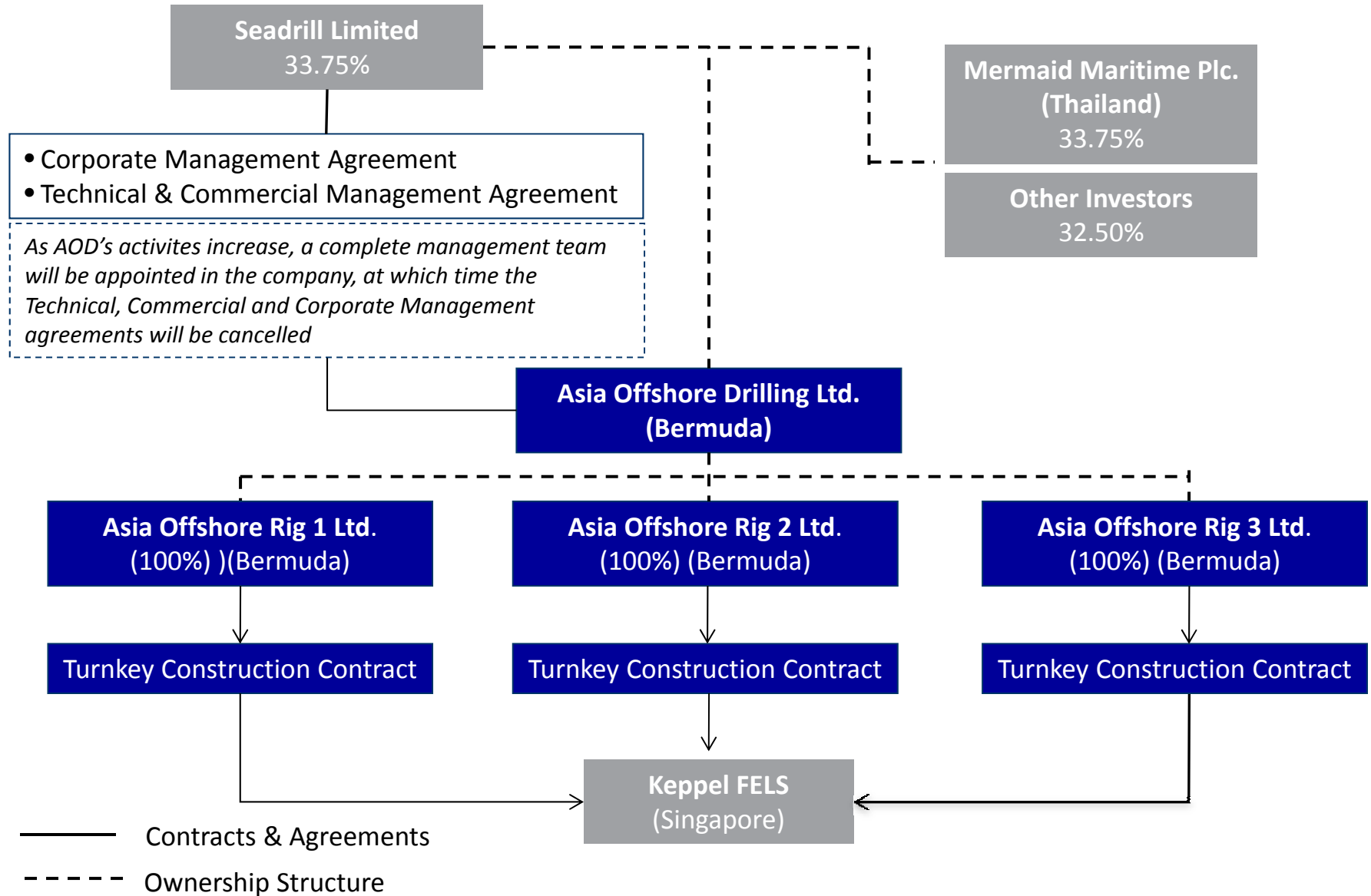
4. Asia Offshore Drilling Overview

Asia Offshore Drilling - Update

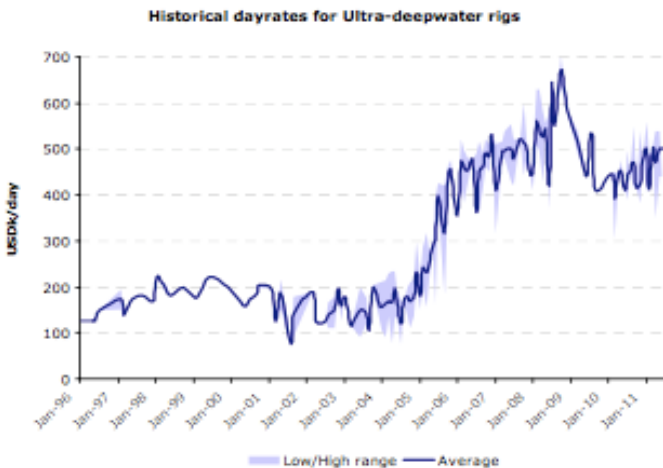
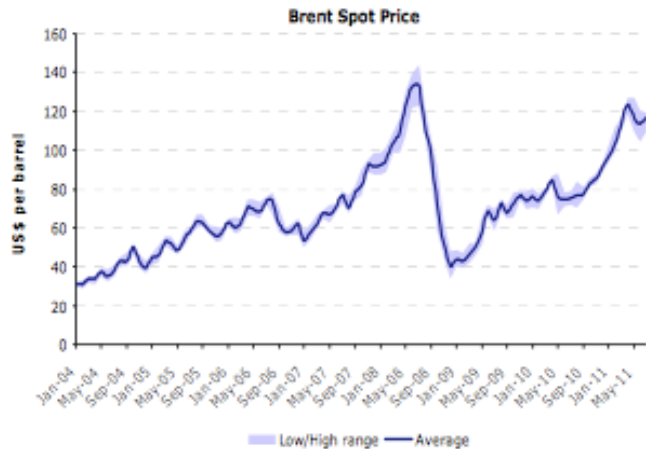


- AOD Board resolved not to exercise option for 2nd option for 4th jack-up rig
- Decided to increase water depth to 400' to increase marketability of the rigs, allowing them to operate in more areas.
- Turnkey contract for delivery of three jack-up rigs scheduled for 1Q, 2Q and 3Q of calendar year 2013.

Asia Offshore Drilling – Company Structure



Market Outlook



- *Oil prices remain at historically high levels, with higher growth in E&P spending*
- *Continue to see strong demand for high specification units that offer superior technical capabilities, operational flexibility and reliability*
- *Utilization is increasing for all asset classes and we observe significant increase in tenders and requests from customers*
- *Demand in Asia-Pacific remains strong and has spurred relocation of high specification units from other geographic regions*
- *We see several efforts ongoing in order to consolidate the low end of the jack-up market, which could lead to accelerated scrapping of units and a better market balance for the jack-up market going forward*

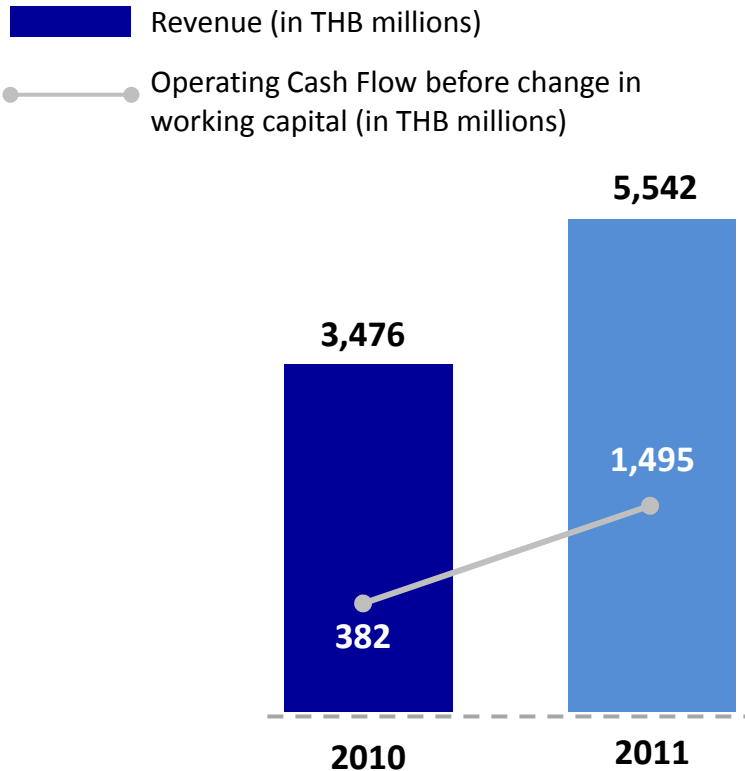


5. Financial Overview

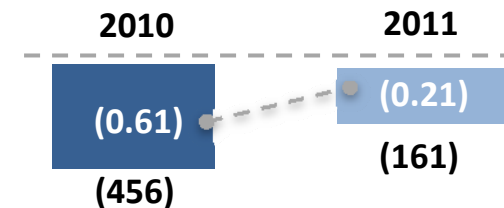
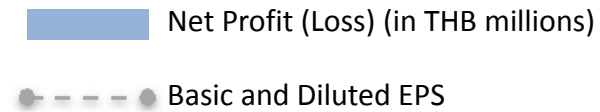
Highlights FY2011



Year on Year Comparison





**Revenue Growth &
Operating Cash Flow**



**Net Profit (Loss) Growth/Decline
& Basic and Diluted EPS**

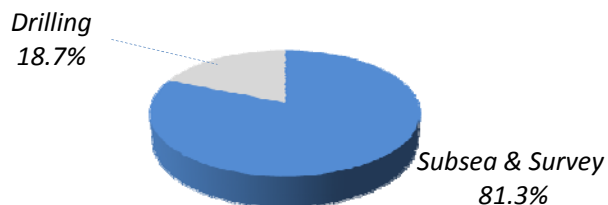
Sector Breakdown



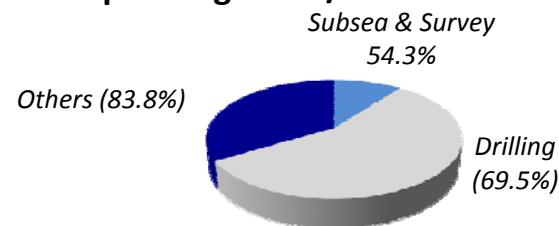
<div><div></div>2010</div> <div><div></div>2011</div>	Description	Service Income	Operating Profit/Loss	Operating Margin	Utilization Rate
<div><div>Subsea & Survey Services</div><div></div></div>	Inspection, repair and maintenance; Infrastructure installation (EPIC); Deepwater ROV support; Emergency call out services; Salvage; Marine Survey & Positioning	<div><div>2,377.6</div><div>4,504.3</div></div>	<div><div>(274.0)</div><div>100.9</div></div>	<div><div>(11.5%)</div><div>2.2%</div></div>	<div><div>39.5%</div><div>69.1%</div></div>
<div><div>Drilling Services</div><div></div></div>	Floating rigs, Accomodation rigs Deepwater Drillers	<div><div>1,076.3</div><div>1,038.5</div></div>	<div><div>(16.9)</div><div>129.0</div></div>	<div><div>(1.6%)</div><div>12.4%</div></div>	<div><div>56.7%</div><div>47.9%</div></div>

Revenue Breakdown

FY2011



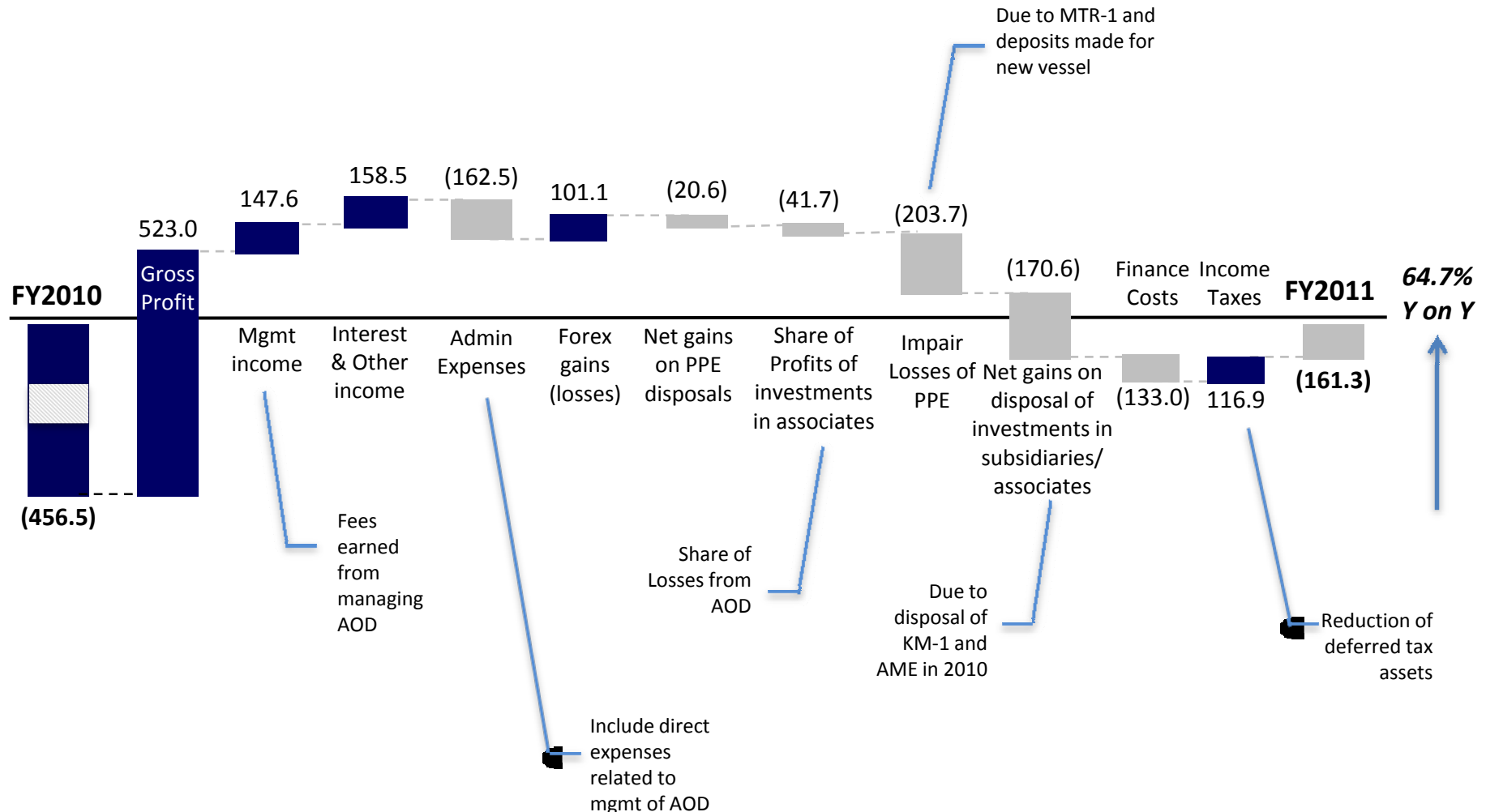
Operating Profit/Loss Breakdown





FY2011 Profits & Losses

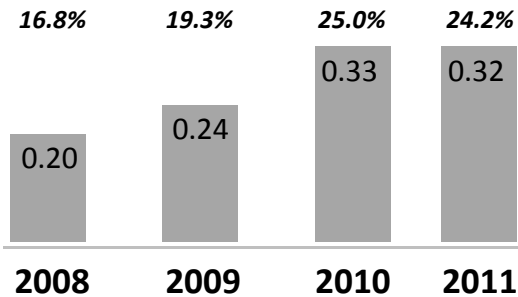
All units in THB millions





Debt structure

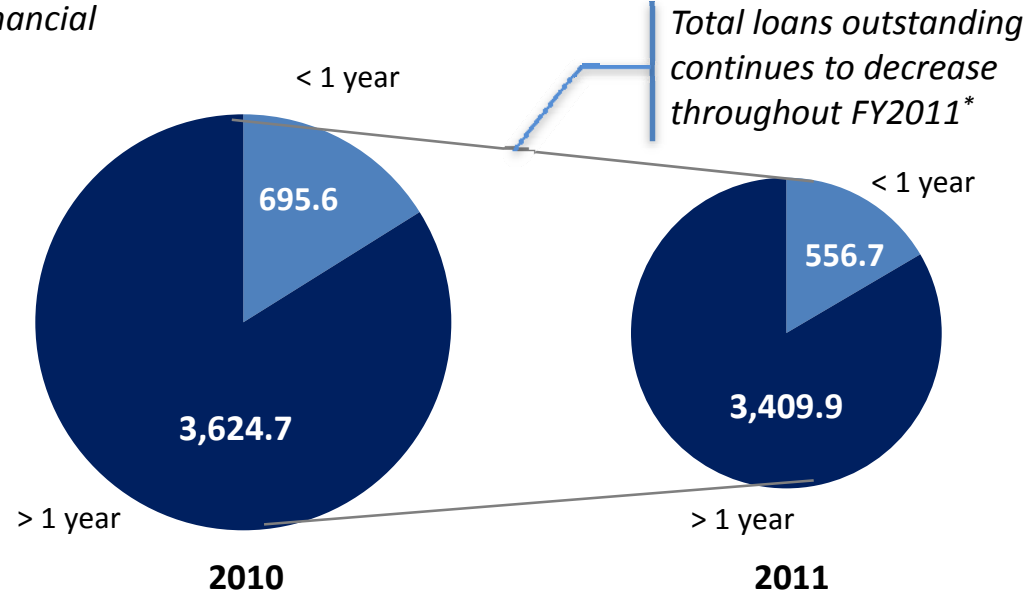
Net D/E (Times)
Net gearing (%)



Low D/E ratio
allows financial
flexibility

Loan Maturity

Units in THB millions



Total loans outstanding
continues to decrease
throughout FY2011*

* EXIM Loans have not been fully drawn down

Repayment amount	Loan Repayment Schedule (USD Million)									
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
	11.2	11.6	13.2	11.3	13.2	9.7	8.3	8.4	15.0	18.1

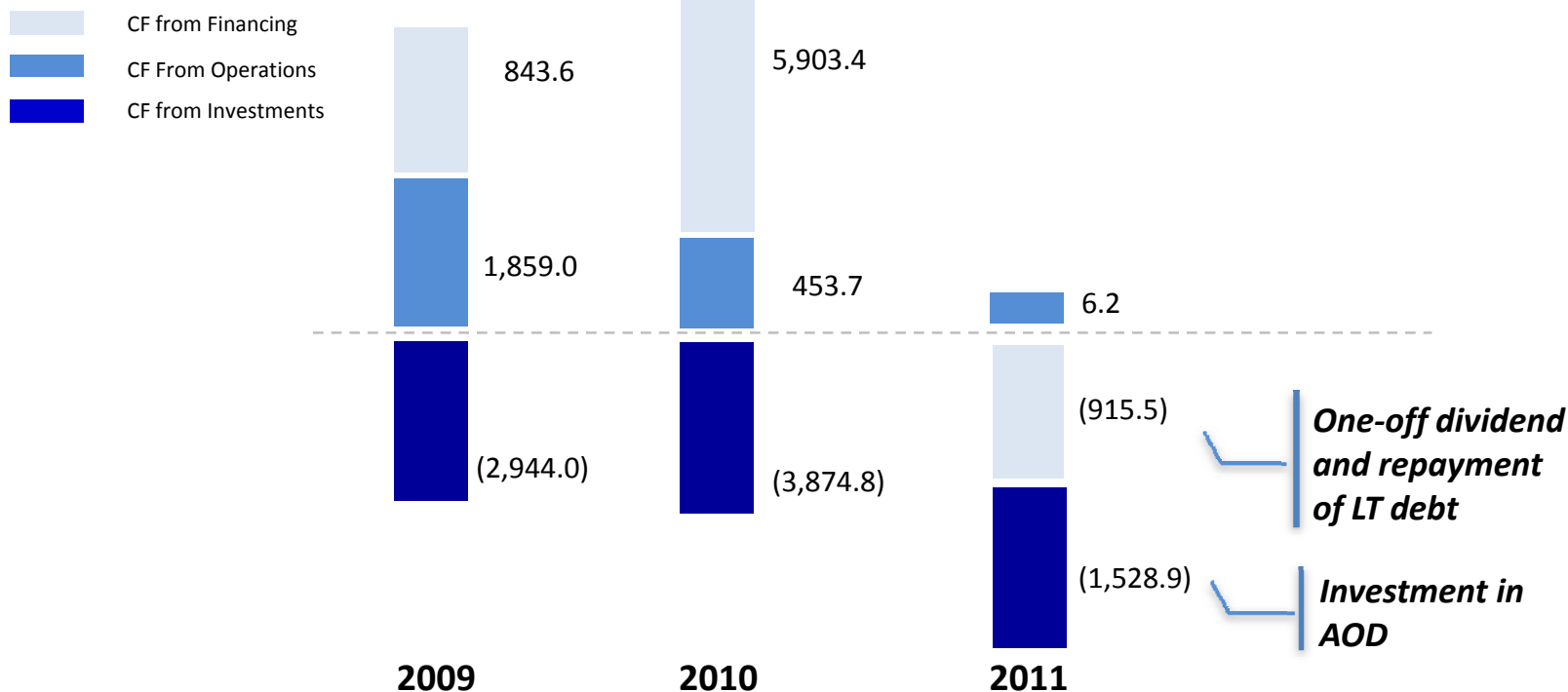
Remark: Exchange rate for conversion of loans in THB to USD was Baht 31.1674: USD 1
Not to scale. For illustrative purpose only

Cash flow



Cash & Cash Equivalents	1,450.5	3,742.9	1,352.3	Total cash in hand has decreased mainly due to dividend payment, debt repayment and investment in AOD
Short-Term Investments (fixed deposits)	334.2	606.3	-	
Restricted Deposits at Financial Institutions	-	-	330.6	

All units in THB millions





6. Questions & Answers