

Swiber Holdings Limited 1QFY2011 Results Briefing

13 May 2011




1QFY2011 Financial Highlights



SWIBER HOLDINGS LIMITED

1QFY2011– Key Highlights

- Revenue up 78.2% to US\$150.6 million for 1QFY2011
 - Higher work volumes arising from the contracts from the South Asia region, awarded to the Group since first quarter in 2010
- Gross profit rises 36.6% from US\$17.9 million to US\$24.4 million
 - Notwithstanding 89.4% increase in cost of sales
- Profit for the period up 46.4% to US\$11.9 million in 1QFY2011
 - Boosted by other operating income and share of profit of associates and joint ventures
 - Some impact from costs of expansion (administrative, other operating expenses, finance costs)
- Strong order book of US\$720 million


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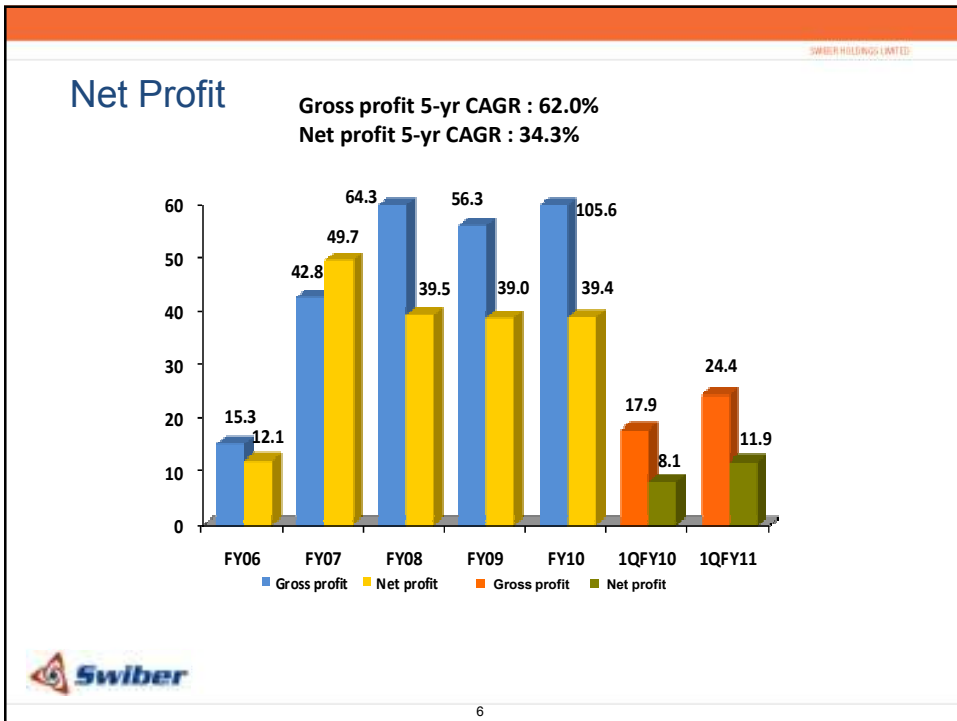
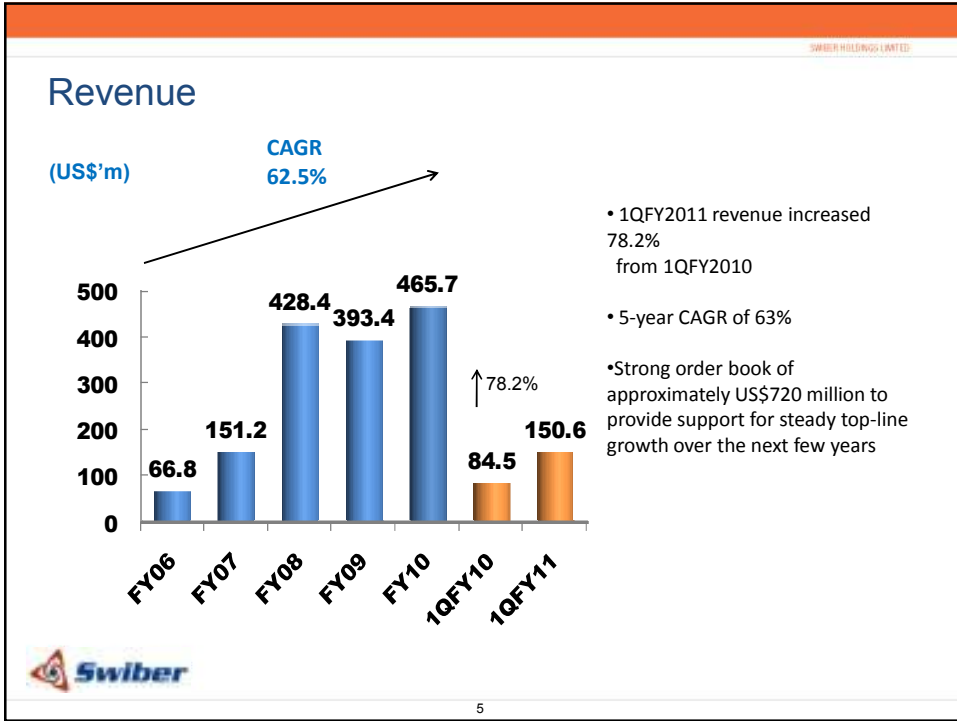
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Financial Highlights

US\$ (million)	<u>1QFY2011</u>	<u>1QFY2010</u>	<u>Change (%)</u>
Revenue	150,624	84,507	78.2
Gross Profit	24,424	17,878	36.6
Gross Profit Margin	16.2%	21.2%	5.0 pt
Net Profit	11,853	8,097	46.4
Net Profit Margin	7.9%	9.6%	1.7pt

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Balance Sheet

US\$m	31 Mar 2011	31 Dec 2010	Change (%)
Cash & bank balances	125.7	137.8	-8.8
Trade receivables and EWIP	235.1	253.0	-7.1
Current assets	482.5	516.2	-6.5
Non-current assets	536.8	475.8	12.8
Current liabilities	242.1	320.8	-24.5
Non-current liabilities	407.0	314.9	29.2
Total equity	370.4	356.3	4.0

31 Mar 2011 vs 31 Dec 2010

- ▶ **Current Liabilities ↓ 24.5% to US\$242.1m:** Due to maturing and redemption of some multicurrency medium term notes and payments made to accrued expenses.
- ▶ **Non Current assets ↑ 12.8% to US\$536.8m:** Due to increase in CAPEX on vessels under construction, acquisition of 49.31% shares in Atlantis Navigation AS and subscription of rights issue shares in Vallianz Holdings Limited in 1QFY2011.




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Key Financial Ratios

Key ratios	31 March 2011	31 March 2010	Change(%)
Net Debt / Equity (times)	1.03	0.81	27.3
NAV per share (US cents)	66.8	59.6	12.1
Return on Equity (%) (Annualised)	11.5	10.7	7.4
Return on Asset (%) (Annualised)	4.7	3.3	42.5
EPS (US cents) (Basic)	1.9	1.6	20.5




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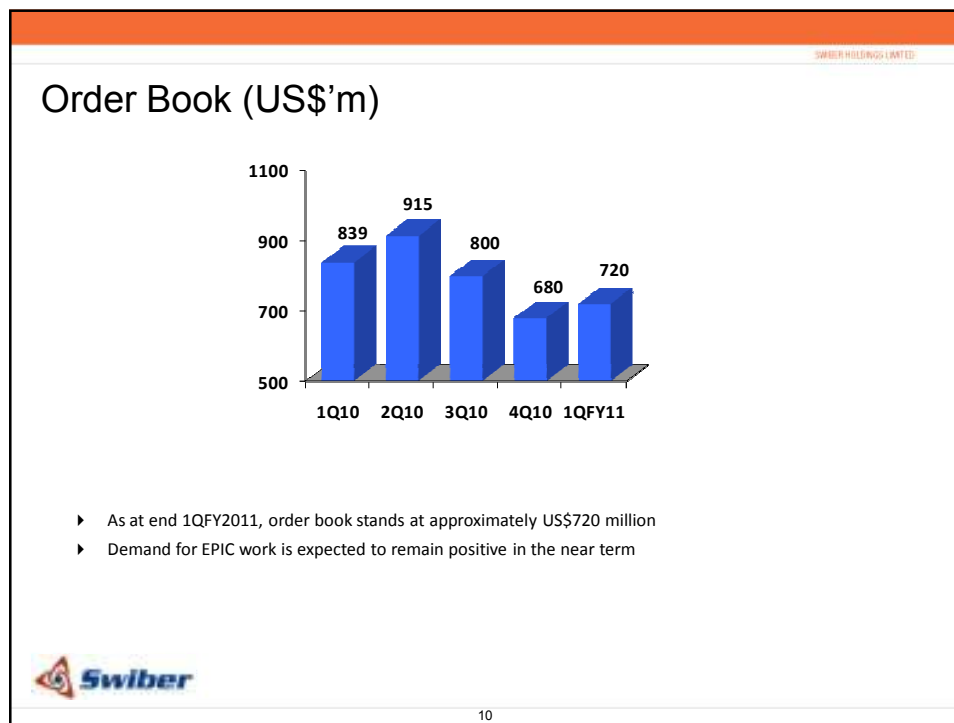
Cashflow

US\$m	1QFY2011	1QFY2010
Operating cashflow before movement in working capital	16.3	16.0
Net cash generated from in operating activities	11.0	88.5
Net cash used in investing activities	(59.3)	(80.9)
Net cash generated from/used in financing activities	38.4	(14.0)
Cash & cash equivalents at end of period	114.1	75.9

- ▶ **Net cash inflow from operating activities:**
The inflow was mainly a result of capital inflows which comes from:
(i) Decrease in engineering work-in-progress in excess of progress billing of US\$47.9 million
(ii) Decrease in inventories of US\$13.6 million
The inflow was offset by
(i) Increase in trade and other receivables of US\$36.9 million
(ii) Decrease in trade and other payables of US\$26.2 million
- ▶ **Net cash outflow from investing activities:**
Due mainly to the addition of property, plant and equipment and assets held for sale of total US\$47.7 million and investment in associates of US\$19.7 million.
- ▶ **Net cash inflow from financing activities:**
Due to new bank borrowings of US\$76.8 million and proceeds from MTN Bond issuance of US\$92.2 million which was offset by repayment of bank loans amounting to US\$60.4 million and redemption of MTN bonds of US\$72.0 million.

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Corporate Highlights



Corporate Updates in 1QFY11

SWIBER HOLDINGS LIMITED

10 March 2011

Swiber secures a US\$34 million contract

- ▶ US\$34 million contract from international major oil company in South East Asia for transportation, installation, and subsea works



10 March 2011

Swiber secures notice of award for approx. US\$125 million

- ▶ US\$125 million contract from a leading oil and gas operator in South Asia's scope of work comprises engineering, procurement, laying of subsea pipelines and platform modifications



22 March 2011

Swiber secures new contracts worth approx. US\$27 million

- ▶ Various charter contracts secured for AHTS, flat top barges, construction barge, and other services in Southeast Asia



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Current Fleet: 51 Vessels : 80% less than 4 Years Old

Construction Vessels

1. Swiber Conquest (Pipelay barge) *
2. 1MAS-300 (Pipelay barge) **
3. Swiber Concorde (Pipelay crane barge) *
4. Aziz (Derrick pipelay Barge)
5. Chai (Derrick pipelay barge) *
6. Swiber PJW3000 (Derrick lay barge) **
7. Magnificent (Crane vessel)
8. Kreuz Supporter (Dive support work barge)
9. Swiber Victorious (Dive support accommodation barge) **
10. Kreuz Glorious (Accommodation Barge)
11. Swiber Atlantis (Dive support work barge) **
12. Swiber SLB-1 (Submersible barge)

Offshore Vessels:

Utility / towing tugs

1. Swiber 99
2. Swiber Eagle
3. Swiber Raven
4. Swiber Charlton
5. Swiber Carina

AHT/AHTS

1. Swiwar Venturer**
2. Swiwar Challenger**
3. Swiwar Victor**
4. Swiwar Crusader**
5. Swiber Trader
6. Swiber Singapore
7. Swiber Navigator*
8. Swiber Explorer*
9. Swiber Gallant*
10. Swiber Valliant*
11. Swiber Ada*
12. Swiber Torunn*
13. Swiber Sandefjord*
14. Swiber Oslo*
15. Swiber Else Marie*

AHT/AHTS (Cont'd)

16. Swiber Anne Christine*
17. Vallianz Hope
18. Swiber Mary Anne*
19. Swiber Bhanwar

Cargo / Flat top barge

1. Swiber 123
2. Swiber 251
3. Swiber 252
4. Swiber 255
5. Swiber 282
6. Swiber 283
7. Kreuz 231
8. Kreuz 232
9. Kreuz 281
10. Kreuz 282
11. Kreuz 283
12. Kreuz 284
13. Kreuz 331
14. Kreuz 332
15. Kreuz 241

12 Construction Vessels
*Under S&L **Owned by JV Company

Expanded fleet puts Swiber in a strong position to service outstanding order book and pursue offshore projects
 "Swiber PJW3000"



39 offshore vessels

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FY11-FY12 Vessel Delivery Plan

VESSEL NAME	2011	2012
Derrick Crane Barge		
Swiber PJW4000		1
Submersible cum Launch Barge		
Swiber SLB - 2	1	
Swiber SLB - 3	1	
Anchor Handling Tug		
Swiber Lina	1	
Total	3	1



Strategy and Outlook



Our Strategy At a Glance



1. Fleet fulfillment

- Sizable fleet
- Reduce reliance on 3rd party service and equipment providers, hence lowering costs

2. Segment focus

- Provide fully integrated services in offshore EPIC, marine, and subsea services
- Focus on offshore EPIC activities in Asia Pacific and Middle East while identifying opportunities in other geographical locations
- Exploring new areas
 - Offshore wind farm installation

3. Markets expansion

- Geographical Expansion
- Strategic alliances
 - Fast, effective
 - Able to tap on strengths/network of local partners
- Focus on the Asia Pacific, India, and Middle East regions while identifying opportunities in other geographical locations

4. Financing model

- Managing costs
- Managing debts



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Key Strategy: Preparing Now for Future Recovery

▶ **Balancing fundamentals and growth**

Prudent Financial Management

- ▶ Managing risk
- ▶ Managing debt
- ▶ Managing cost
 - Reduce reliance on 3rd parties
 - Enhance utilisation of internal services and fleet
 - Improve operational efficiency

Business Growth

- ▶ To provide integrated services
- ▶ Focus on offshore EPIC activities in Asia Pacific, the Middle East while identifying opportunities in other geographical locations
- ▶ Target subsea opportunities in the region
- ▶ Exploring new areas
 - Offshore wind farm installation

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Industry Outlook

Macro-environment


- ▶ E&P spending in 2011 expected to grow 12–15% YOY, bringing total expected spending to USD500bn⁽¹⁾
- ▶ Asian demand has driven oil prices over the past decade and will continue to do so over the next one ⁽²⁾
 - ▶ Modest rises of \$10/bbl per year expected over the next 5-10 years
- ▶ Crude oil prices jumped 10-15% in March 2011 as aggregate OPEC production has yet to fill the gap left by Libya's absence ⁽³⁾
- ▶ Higher anticipated post-earthquake Japanese oil use for power generation and reconstruction

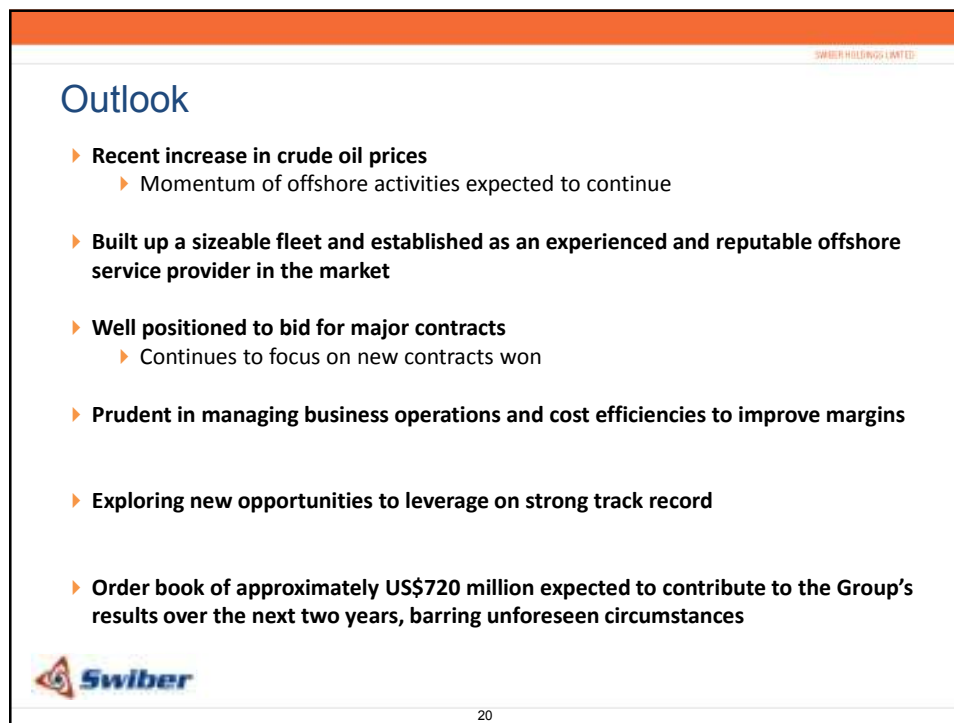
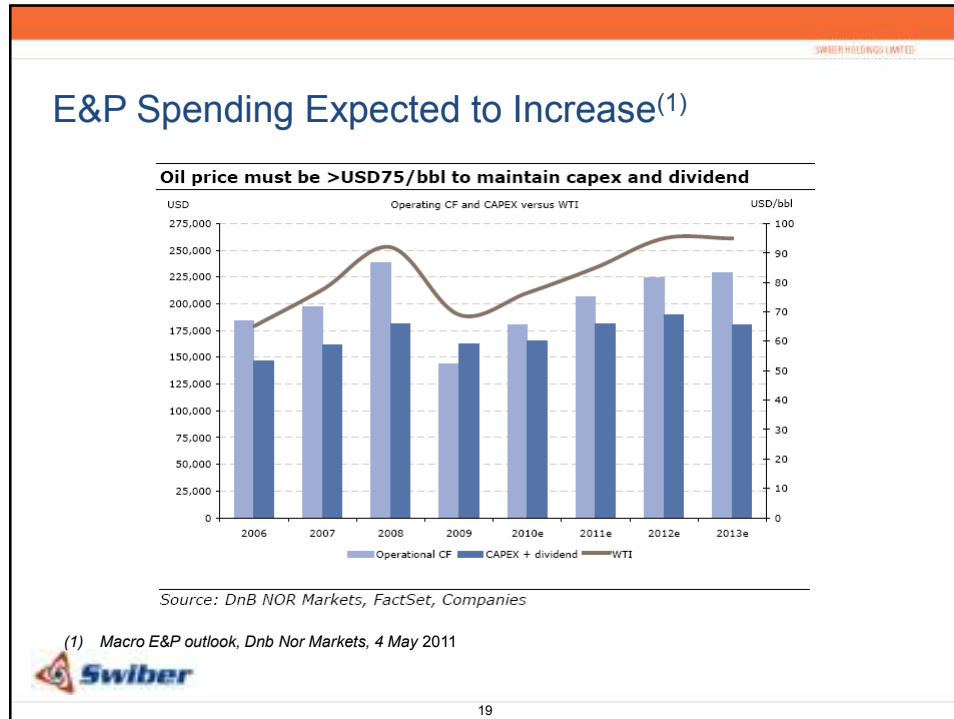
Offshore Oil & Gas

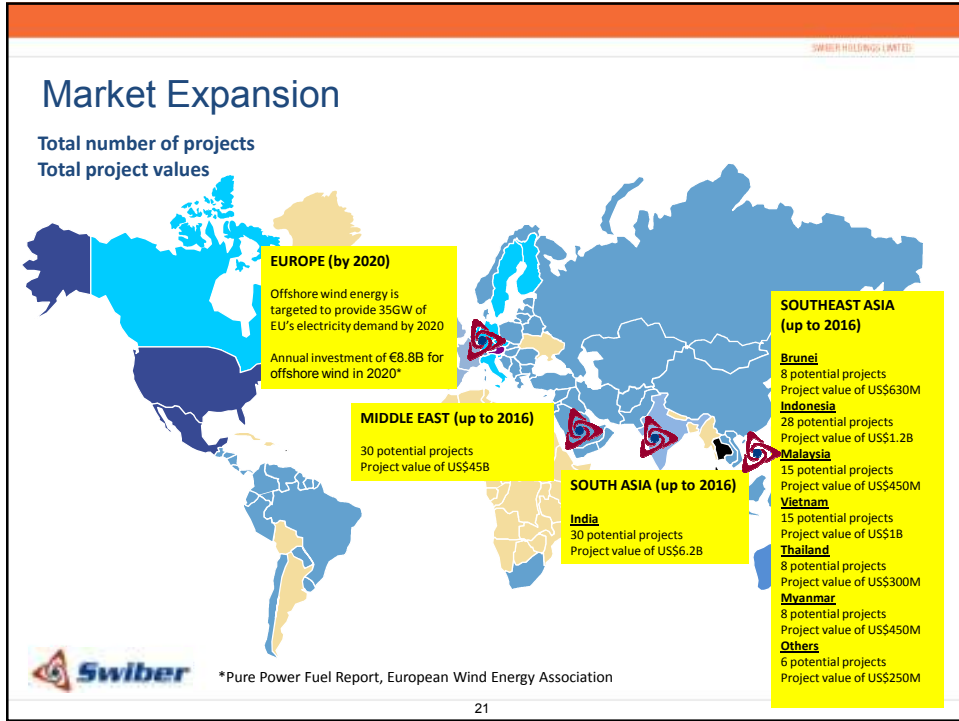
- ▶ The Asia-Pacific subsea market has already seen a steady stream of contracts being awarded
- ▶ Healthy flow of subsea projects in the Asia-Pacific subsea market, especially in - shallow water segment in Brazil, India, Vietnam and Thailand.

(1) Dnbnor, Asia Offshore sector update and previews Q1 2011, page 11, May 4, 2011
 (2) DBS, Economics Markets Strategy Q2 2011, March 11, 2011
 (3) IEA, Oil Market Report, April 12, 2011

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Thank You

Q&A session

